

**PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 24, 2021**

**REFUNDING ISSUES**

**BOOK-ENTRY-ONLY SERIAL BONDS**

**RATINGS: See “Ratings” herein**

*In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that 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). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. See “Tax Matters” herein.*

*The Bonds will NOT be designated as “qualified tax-exempt obligations” pursuant to Section 265 (b)(3) of the Internal Revenue Code of 1986.*

**COUNTY OF ROCKLAND  
NEW YORK  
\$2,605,000\*  
REFUNDING (SERIAL) BONDS, 2021 SERIES C  
(the “Series C Bonds”)**

**Dated: Date of Delivery**

**Due: December 15, 2022 to 2031**

**\$8,345,000\*  
REFUNDING (SERIAL) BONDS, 2022 SERIES A (FORWARD DELIVERY)  
(the “Series A Bonds” and together with the Series C Bonds, the “Bonds”)**

**Dated: Date of Delivery**

**Due: April 1, 2022 to 2044**

The Bonds are general obligations of the County of Rockland, New York (the “County”), and will contain a pledge of its faith and credit of the County for the payment of the principal of and interest on the Bonds, and unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied upon all the taxable real property within the County, subject to applicable statutory limitations. (See “NATURE OF OBLIGATION” and “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”). DTC will act as securities depository for the Bonds. Individual purchases of the Bonds may be made in book-entry form only, in the principal amount of \$5,000 and integral multiples thereof. Purchasers will not receive certificates representing their interest in the Bonds. Payment of the principal of and interest on the Bonds will be made by the County 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 Series C Bonds are dated their Date of Delivery and will bear interest from that date until maturity at the annual rate or rates as specified by the Underwriter, payable on December 15, 2021 and semi-annually thereafter on June 15 and December 15 in each year until maturity. The Series C Bonds shall mature on December 15 in the years and in the principal amounts specified on the inside cover page hereof. The Series C Bonds are not subject to redemption prior to maturity.

The Series A Bonds are dated their Date of Delivery and will bear interest from that date until maturity at the annual rate or rates as specified by the Underwriter, payable on April 1, 2022, October 1, 2022 and semi-annually thereafter in each year until maturity. The Series A Bonds shall mature on April 1 in the years and in the principal amounts specified on the inside cover page hereof. The Series A Bonds are subject to optional redemption prior to maturity as described herein. (See “Optional Redemption” herein.)

The Bonds are offered when, as, and if issued by the County and accepted by the Underwriter, subject to the receipt of the respective final approving opinions of Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel, and certain other conditions. Certain matters will be passed upon for the Underwriter by its counsel, Hawkins Delafield & Wood LLP, New York, New York. It is expected that delivery of the Series C Bonds in book-entry form will be made through the facilities of DTC in Jersey City, New Jersey on or about September 22, 2021. It is expected that delivery of the Series A Bonds in book-entry form will be made through the facilities of DTC in Jersey City, New Jersey on or about January 4, 2022.

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

Dated: September \_\_, 2021

\* Preliminary, subject to change.



**DAVIDSON**  
FIXED INCOME CAPITAL MARKETS

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

The Series C Bonds will mature on December 15 in the years as set forth below:

| <u>Year</u> | <u>Amount*</u> | <u>Coupon</u> | <u>Yield</u> | <u>Year</u> | <u>Amount*</u> | <u>Coupon</u> | <u>Yield</u> |
|-------------|----------------|---------------|--------------|-------------|----------------|---------------|--------------|
| 2022        | \$220,000      | %             | %            | 2027        | \$ 265,000     | %             | %            |
| 2023        | 230,000        |               |              | 2028        | 270,000        |               |              |
| 2024        | 230,000        |               |              | 2029        | 285,000        |               |              |
| 2025        | 240,000        |               |              | 2030        | 300,000        |               |              |
| 2026        | 255,000        |               |              | 2031        | 310,000        |               |              |

\* Preliminary, subject to change.

The Series A Bonds will mature on April 1 in the years as set forth below:

| <u>Year</u> | <u>Amount*</u> | <u>Coupon</u> | <u>Yield</u> | <u>Year</u> | <u>Amount*</u> | <u>Coupon</u> | <u>Yield</u> |
|-------------|----------------|---------------|--------------|-------------|----------------|---------------|--------------|
| 2022        | \$ 65,000      | %             | %            | 2030        | \$ 310,000     | %             | %            |
| 2023        | 230,000        |               |              | 2031        | 320,000**      |               |              |
| 2024        | 240,000        |               |              | 2032        | 330,000**      |               |              |
| 2025        | 255,000        |               |              | 2033        | 350,000**      |               |              |
| 2026        | 260,000        |               |              | 2034        | 365,000**      |               |              |
| 2027        | 270,000        |               |              | 2035        | 385,000**      |               |              |
| 2028        | 285,000        |               |              | 2036        | 405,000**      |               |              |
| 2029        | 295,000        |               |              |             |                |               |              |

\$3,980,000\* Term Bonds due April 1, 2044

\* Preliminary, subject to change.

\*\* Subject to optional redemption prior to maturity as described herein.

**COUNTY OF ROCKLAND  
NEW YORK**

**COUNTY EXECUTIVE**

Edwin J. Day

**COUNTY LEGISLATORS**

Alden H. Wolfe

*Chairman of the Legislature*

Christopher J. Carey  
Harriet D. Cornell  
Toney L. Earl  
Charles J. Falciglia  
James Foley  
Michael M. Grant  
Lon M. Hofstein  
Jay Hood, Jr.

Douglas J. Jobson  
John McGowan  
Aney Paul  
Laurie Santulli  
Philip Soskin  
Vincent D. Tyer  
Aron B. Wieder  
Itamar Yeger

---

Donna Gorman Silberman, *County Clerk*  
Louis Falco III, *Sheriff*  
Thomas E. Walsh II, *District Attorney*  
Thomas Humbach, *County Attorney*  
Stephen F. DeGroat, *Commissioner of Finance*

---

**BOND COUNSEL**

**ORRICK, HERRINGTON & SUTCLIFFE LLP**  
*New York, New York*

---

**MUNICIPAL ADVISOR**

**CAPITAL MARKETS ADVISORS, LLC**  
Great Neck, New York  
(516) 487-9817

No dealer, broker, salesman or other person has been authorized by the County 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 County. 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 County 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 County since the date hereof.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

**TABLE OF CONTENTS**

|  | <u>Page</u> |   | <u>Page</u> |
|--|-------------|---|-------------|
| THE BONDS.....   | 1           | Settlement of the Series A Bonds.....             | 14          |
| Description.....   | 1           | Tax Law Risk of the Series A Bonds.....           | 15          |
| Authorization and the Refunding Plan for the Bonds ..... | 2           | Termination of Obligation.....                    | 15          |
| Sources and Uses of Proceeds of the Refunding            |             | Additional Risks Relating to the Forward Delivery |             |
| Bonds.....   | 4           | Period .....                                      | 15          |
| Verificaiton of Mathematical Computations.....           | 4           | Secondary Market Risk During Delayed Delivery     |             |
| Optional Redemption.....                                 | 4           | Period for the Series A Bonds .....               | 16          |
| Mandatory Sinking Fund Redemption.....                   | 5           | Market Value Risk of the Series A Bonds.....      | 16          |
| NATURE OF OBLIGATION .....                               | 5           | THE STATE COMPROLLER'S FISCAL STRESS              |             |
| Tax Levy Limitation Law .....                            | 6           | MONITORING SYSTEM AND COMPLIANCE                  |             |
| SPECIAL PROVISIONS AFFECTING REMEDIES                    |             | REVIEWS.....                                      | 16          |
| UPON DEFAULT .....                                       | 7           | LITIGATION.....                                   | 17          |
| Book-Entry-Only System.....                              | 10          | TAX MATTERS.....                                  | 17          |
| MARKET AND RISK FACTORS.....                             | 12          | LEGAL MATTERS .....                               | 18          |
| Reliance on and Uncertainty of State Aid.....            | 13          | DISCLOSURE UNDERTAKING .....                      | 18          |
| Tax Matters and Changes in Law .....                     | 13          | Compliance History.....                           | 19          |
| Effects of COVID-19.....                                 | 13          | RATINGS .....                                     | 19          |
| Cybersecurity.....                                       | 14          | UNDERWRITING.....                                 | 19          |
| CERTAIN FORWARD DELIVERY                                 |             | MUNICIPAL ADVISOR.....                            | 19          |
| CONSIDERATIONS OF THE SERIES A BONDS.....                | 14          | ADDITIONAL INFORMATION .....                      | 20          |

**APPENDIX A**

|   |      |   |      |
|---|------|---|------|
| THE COUNTY.....                                 | A-1  | Constitutional Tax Limit .....                          | A-21 |
| General Information.....                        | A-1  | Real Property Tax Levy, Rate and Collection History ... | A-22 |
| Form of Government .....                        | A-1  | Ten of the Largest Taxpayers.....                       | A-23 |
| Municipal Services .....                        | A-2  | COUNTY INDEBTEDNESS.....                                | A-23 |
| Closure of Hospital Facility.....               | A-3  | Constitutional Requirements .....                       | A-23 |
| Solid Waste Program .....                       | A-5  | Statutory Procedure .....                               | A-24 |
| Employees .....                                 | A-5  | Constitutional Debt Limit.....                          | A-25 |
| FINANCIAL FACTORS.....                          | A-6  | Statement of Debt Contracting Power .....               | A-26 |
| Revenues.....                                   | A-6  | Trend of Outstanding Indebtedness .....                 | A-26 |
| Investment Policy .....                         | A-8  | Short-Term Indebtedness.....                            | A-27 |
| Financial Accounting and Reporting .....        | A-9  | Indebtedness for Operating Purposes .....               | A-27 |
| Expenditures .....                              | A-10 | Capital Project Financing .....                         | A-27 |
| Budget Process.....                             | A-10 | Direct and Overlapping Indebtedness.....                | A-28 |
| Discussion of Recent Financial Operations ..... | A-11 | Debt Service Schedule.....                              | A-29 |
| 2016 Results .....                              | A-11 | Debt Ratios.....  | A-30 |
| 2017 Results .....                              | A-11 | Capital Budgeting.....                                  | A-30 |
| 2018 Results .....                              | A-12 | ECONOMIC AND DEMOGRAPHIC DATA .....                     | A-31 |
| 2019 Results .....                              | A-12 | Population .....  | A-31 |
| 2020 Results .....                              | A-12 | Income.....   | A-31 |
| 2021 Adopted Budget.....                        | A-12 | EMPLOYMENT AND UNEMPLOYMENT .....                       | A-32 |
| Deficit Financing Legislation .....             | A-13 | Financial Institutions.....                             | A-34 |
| Pension Systems .....                           | A-14 | Communications.....                                     | A-34 |
| REAL PROPERTY TAXES.....                        | A-18 | Utilities.....  | A-34 |
| Tax Collection and Enforcement Procedures.....  | A-18 | Transportation .....                                    | A-34 |
| Taxable Full Valuation - Five-Year Summary..... | A-19 | Education.....  | A-34 |
| State Equalization Rates .....                  | A-19 | Recreation and Cultural Facilities .....                | A-34 |
| Assessed and Full Valuation by Towns .....      | A-20 | Medical Facilities .....                                | A-35 |

APPENDIX B – SUMMARY FINANCIAL STATEMENTS

APPENDIX C – AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

APPENDIX D – FORMS OF BOND COUNSEL’S OPINIONS

APPENDIX E – FORM OF CONTINUING DISCLOSURE UNDERTAKING FOR THE BONDS

APPENDIX F – FORM OF FORWARD DELIVERY CONTRACT

**OFFICIAL STATEMENT  
COUNTY OF ROCKLAND  
NEW YORK**

**relating to**

**\$2,605,000\***

**REFUNDING (SERIAL) BONDS, 2021 SERIES C**

*and*

**\$8,345,000\***

**REFUNDING (SERIAL) BONDS, 2022 SERIES A (FORWARD DELIVERY)**

This Official Statement, which includes the cover page, inside cover page and appendices hereto, presents certain information relating to the County of Rockland, in the State of New York (the “County” and “State,” respectively) in connection with the sale of \$2,605,000\* Refunding (Serial) Bonds, 2021 Series C (the “Series C Bonds”) and \$8,345,000\* Refunding (Serial) Bonds, 2022 Series A (Forward Delivery) (the “Series A Bonds” and together with the Series C Bonds, the “Bonds”).

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the County 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 County relating thereto are qualified in their entirety by reference to the definitive form of the Bonds such proceedings.

This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that are highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the County’s overall economic situation and outlook (and all of the specific County-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which are extremely difficult to predict and quantify. (See “MARKET AND RISK FACTORS – Effects of COVID-19” and “FINANCIAL FACTORS” herein.)

**In recent years, the County has experienced financial difficulties resulting in an accumulated deficit in the County’s General Fund. The New York State Legislature enacted Chapter 468 of the Laws of 2013 (“Chapter 468”), authorizing the County to issue bonds in an aggregate principal amount not to exceed \$96,000,000 to finance liquidation of the accumulated deficit in the General Fund as of December 31, 2012. On March 13, 2014, the County issued its \$96,000,000 General Obligation (Serial) Bonds, 2014 Series A for this purpose. Chapter 468 also provides for annual review of the County’s proposed budget by the New York State Comptroller (the “State Comptroller”) during the effective period of Chapter 468 (i.e., all fiscal years during which deficit financing obligations are outstanding) and the making of adjustments to each proposed budget by the County Legislature consistent with any recommendations made by the State Comptroller. (See “Deficit Financing Legislation” herein.)**

**THE BONDS**

***Description***

The Series C Bonds are dated their Date of Delivery and will bear interest from that date until maturity at the annual rate or rates as specified by the Underwriter, payable on December 15, 2021 and semi-annually thereafter on June 15 and December 15 in each year until maturity. The Series C Bonds shall mature on December 15 in the years in the principal amounts specified on the inside cover page hereof. The Series C Bonds are not subject to redemption prior to maturity.

---

\* Preliminary, subject to change.

The Series A Bonds are dated their Date of Delivery and will bear interest from that date until maturity at the annual rate or rates as specified by the Underwriter, payable on April 1, 2022, October 1, 2022 and semi-annually thereafter in each year until maturity. The Series A Bonds shall mature on April 1 in the years in the principal amounts specified on the inside cover page hereof. The Series A Bonds are subject to optional redemption prior to maturity (See “Optional Redemption” 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”). 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 and integral multiples thereof. Purchasers will not receive certificates representing their interest in the Bonds.

Principal of and interest on the Bonds will be made by the County 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. The Bonds may be transferred in the manner described on the Bonds and as referenced in certain proceedings of the County referred to therein.

The record date for payment of principal and interest on the Series C Bonds is the last day of the calendar month immediately preceding each interest payment date. The record date for payment of principal and interest on the Series A Bonds is the fifteenth day of the calendar month preceding each interest payment date.

### ***Authorization and the Refunding Plan for the Bonds***

The Series C Bonds and the Series A Bonds (collectively, the “Refunding Bonds”) are issued pursuant to the Constitution and Laws of the State, including, the Local Finance Law, including particularly Section 90.00 and 90.10 thereof, the County Charter and Refunding Bond Resolution No. 171 of 2021 duly adopted by the County Legislature on April 20, 2021. A refunding financial plan has been prepared and is described below (the “Refunding Plan”).

The Series C Bonds are being issued to refund up to \$2,970,000 outstanding principal of the County’s General Obligation (Serial) Bonds, 2011 Series B, which mature in the years 2022 to 2031, inclusive (the “Refunded 2011 Bonds”). The Series A Bonds are being issued to refund up to \$9,210,000 outstanding principal of the County’s Public Improvement (Serial) Bonds, 2014 Series B, which mature in the years 2023 to 2044, inclusive (the “Refunded 2014 Bonds” and together with the Refunded 2011 Bonds, the “Refunded Bonds”). The Refunded 2011 Bonds were issued in the original principal amount of \$20,335,000. The Refunded 2014 Bonds were issued in the original principal amount of \$10,734,000. Under the Refunding Plan, the Refunded 2011 Bonds are to be called and redeemed on December 15, 2021 and the Refunded 2014 Bonds are to be called and redeemed on April 1, 2022. The net proceeds of the Refunding Bonds (after payment of the underwriting fee and other costs of issuance relating to the Refunding Bonds) will be used to purchase non-callable, direct obligations of or obligations guaranteed by the United States of America (the “Government Obligations”) which, together with remaining cash proceeds from the sale of the Refunding Bonds, will be placed in an irrevocable trust fund (the “Escrow Fund”) to be held by Manufacturers and Traders Trust Company, (the “Escrow Holder”), a bank located and authorized to do business in the State, pursuant to the terms of an escrow contract by and between the County and the Escrow Holder, dated as of the respective delivery dates of the Refunding Bonds (the “Escrow Contract”). The Government Obligations so deposited will mature in amounts which, together with the cash so deposited, will be sufficient to pay the principal of and interest on the Refunded Bonds on their respective dates of redemption. The Refunding Plan requires the Escrow Holder, pursuant to the refunding bond resolution of the County and the Escrow Contract, to pay the redemption price of the Refunded Bonds on the earliest respective dates on which the Refunded Bonds may be called for redemption prior to maturity.

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

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

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

Refunded 2011 Bonds:

| <u>Maturity Date</u> | <u>Principal*</u>  | <u>Interest Rate</u> | <u>Redemption Date/Price*</u> | <u>CUSIP</u> |
|----------------------|--------------------|----------------------|-------------------------------|--------------|
| December 15, 2022    | \$250,000          | 3.500%               | December 15, 2021 @ 100%      | 77355PMD2    |
| December 15, 2023    | 260,000            | 3.625                | December 15, 2021 @ 100%      | 77355PME0    |
| December 15, 2024    | 265,000            | 3.750                | December 15, 2021 @ 100%      | 77355PMF7    |
| December 15, 2025    | 275,000            | 3.875                | December 15, 2021 @ 100%      | 77355PMG5    |
| December 15, 2026    | 290,000            | 4.000                | December 15, 2021 @ 100%      | 77355PMH3    |
| December 15, 2027    | 300,000            | 4.000                | December 15, 2021 @ 100%      | 77355PMJ9    |
| December 15, 2028    | 310,000            | 4.125                | December 15, 2021 @ 100%      | 77355PMK6    |
| December 15, 2029    | 325,000            | 4.250                | December 15, 2021 @ 100%      | 77355PML4    |
| December 15, 2030    | 340,000            | 4.375                | December 15, 2021 @ 100%      | 77355PMM2    |
| December 15, 2031    | <u>355,000</u>     | 4.500                | December 15, 2021 @ 100%      | 77355PMN0    |
| Total:               | <u>\$2,970,000</u> |                      |                               |              |

Refunded 2014 Bonds:

| <u>Maturity Date</u> | <u>Principal*</u>  | <u>Interest Rate</u> | <u>Redemption Date/Price*</u> | <u>CUSIP</u> |
|----------------------|--------------------|----------------------|-------------------------------|--------------|
| April 1, 2023        | \$ 250,000         | 4.250%               | April 1, 2022 @ 100%          | 77355PRL9    |
| April 1, 2024        | 260,000            | 4.250                | April 1, 2022 @ 100%          | 77355PRM7    |
| April 1, 2025        | 275,000            | 4.250                | April 1, 2022 @ 100%          | 77355PRN5    |
| April 1, 2026        | 285,000            | 4.250                | April 1, 2022 @ 100%          | 77355PRP0    |
| April 1, 2027        | 295,000            | 4.250                | April 1, 2022 @ 100%          | 77355PRQ8    |
| April 1, 2028        | 310,000            | 4.250                | April 1, 2022 @ 100%          | 77355PRR6    |
| April 1, 2029        | 325,000            | 4.250                | April 1, 2022 @ 100%          | 77355PRS4    |
| April 1, 2030        | 340,000            | 4.250                | April 1, 2022 @ 100%          | 77355PRT2    |
| April 1, 2031        | 350,000            | 4.250                | April 1, 2022 @ 100%          | 77355PRU9    |
| April 1, 2032        | 365,000            | 4.250                | April 1, 2022 @ 100%          | 77355PRV7    |
| April 1, 2033        | 385,000            | 4.250                | April 1, 2022 @ 100%          | 77355PRW5    |
| April 1, 2034        | 405,000            | 4.250                | April 1, 2022 @ 100%          | 77355PRX3    |
| April 1, 2035        | 425,000            | 4.250                | April 1, 2022 @ 100%          | 77355PRY7    |
| April 1, 2036        | 450,000            | 4.250                | April 1, 2022 @ 100%          | 77355PRZ8    |
| April 1, 2037        | 470,000            | 4.375                | April 1, 2022 @ 100%          | 77355PSA2    |
| April 1, 2038        | 495,000            | 4.375                | April 1, 2022 @ 100%          | 77355PSB0    |
| April 1, 2039        | 520,000            | 4.375                | April 1, 2022 @ 100%          | 77355PSC8    |
| April 1, 2040        | 545,000            | 4.500                | April 1, 2022 @ 100%          | 77355PSD6    |
| April 1, 2041        | 570,000            | 4.500                | April 1, 2022 @ 100%          | 77355PSE4    |
| April 1, 2042        | 600,000            | 4.500                | April 1, 2022 @ 100%          | 77355PSF1    |
| April 1, 2043        | 630,000            | 4.500                | April 1, 2022 @ 100%          | 77355PSG9    |
| April 1, 2044        | <u>660,000</u>     | 4.500                | April 1, 2022 @ 100%          | 77355PSH7    |
| Total:               | <u>\$9,210,000</u> |                      |                               |              |

\* Preliminary, subject to change.

***Sources and Uses of Proceeds of the Refunding Bonds***

|  | Series C Bonds | Series A Bonds | Total |
|--|----------------|----------------|-------|
| Sources:                                 |                |                |       |
| Par Amount                               |                |                |       |
| Original Issue Premium (Discount)        |                |                |       |
| Total:                                   |                |                |       |
|  |                |                |       |
| Refunding Escrow Deposits                |                |                |       |
| Costs of Issuance and Contingency        |                |                |       |
| Underwriter’s Discount                   |                |                |       |
| Total:                                   |                |                |       |
|  |                |                |       |
|  | Series B Bonds | Series C Bonds | Total |
| Sources:                                 |                |                |       |
| Par Amount                               |                |                |       |
| Original Issue Premium (Discount)        |                |                |       |
| Unexpended Proceeds of<br>Refunded Bonds |                |                |       |
| Total:                                   |                |                |       |
|  |                |                |       |
| Refunding Escrow Deposits                |                |                |       |
| Costs of Issuance <sup>(1)</sup>         |                |                |       |
| Total:                                   |                |                |       |

***Verification of Mathematical Computations***

Causey Demgen & Moore P.C. will verify based upon the information provided to them, the mathematical accuracy, as of the date of the respective closing dates of the Series C Bonds and the Series A Bonds, of the computations contained in the provided schedules to determine that the anticipated receipts from the Government Obligations and cash deposits listed in the underwriter’s schedules, to be held in escrow, will be sufficient to pay, when due, the principal of and interest on the Refunded Bonds. Causey Demgen & Moore P.C. will express no opinion on the assumptions provided to them, nor as to the exclusion from taxation of the interest on the Series C Bonds and the Series A Bonds.

***Optional Redemption***

The Series A Bonds maturing on or before April 1, 2030 will not be subject to redemption prior to maturity. The Series A Bonds maturing on or after April 1, 2031 will be subject to redemption prior to maturity at the option of the County on any date on or after April 1, 2030, in whole or in part at par, and if in part in any order of their maturity and in any amount within a maturity (selected by lot within a maturity), at the redemption price of 100% of the par amount of the Series A Bonds to be redeemed, plus accrued interest to the date of redemption.

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



The Series C Bonds will not be subject to redemption prior to maturity.

### ***Mandatory Sinking Fund Redemption***

The Series A Bonds maturing on April 1, 2044 are subject to redemption prior to their stated maturity at a redemption price equal to the principal amount thereof, together with interest accrued on such principal amount to the date set for redemption from the Sinking Fund Installments for such Series A Bonds, as shown below.

Series A Bonds  
maturing on April 1, 2044

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
| 2037        | \$420,000               |
| 2038        | 445,000                 |
| 2039        | 465,000                 |
| 2040        | 485,000                 |
| 2041        | 505,000                 |
| 2042        | 530,000                 |
| 2043        | 555,000                 |
| 2044*       | 575,000                 |

---

\* Final maturity.

### **NATURE OF OBLIGATION**

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

Holders of any series of notes or bonds of the County 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 County and will contain a pledge of the faith and credit of the County 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 County has power and statutory authorization to levy ad valorem taxes on all real property within the County subject to such taxation by the County, subject to applicable statutory limitations.

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

Under the Constitution of the State, the County is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the County’s power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. (See “Tax Levy Limitation Law,” herein.)

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

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

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

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

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

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

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

### ***Tax Levy Limitation Law***

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (as amended, the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to all local governments, including school districts (with the exception of New York City, the counties comprising New York City and school districts in New York City, Buffalo, Rochester, Syracuse and Yonkers, the latter of which are affected indirectly by

applicability to their respective city). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities' tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. On April 12, 2019, the enacted State budget legislation made the Tax levy Limitation Law permanent by Chapter 59 of the Laws of 2019. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are permissible exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System, and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of its fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for such fiscal year.

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

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

## **SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT**

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

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

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

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

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

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

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

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

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

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

**Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law.** The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an "emergency financial control board" for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such municipality (or by its emergency financial control board in the event said board requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in the county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law ("Title 6-A") effectively prohibits the doing of any act for ninety days in the payment of claims against the municipality, including payment of debt service on outstanding indebtedness.

This includes staying the commencement or continuation of any court proceedings seeking payment of debt service due, the assessment, levy or collection of taxes by or for the municipality or the application of any funds,

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

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

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

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

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

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

**Fiscal Stress and State Emergency Financial Control Boards.** Pursuant to Article IX Section 2(b)(2) of the State Constitution, any local government in the State may request the intervention of the State in its “property, affairs and government” by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and approve collective bargaining agreements in certain cases. Implementation is left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, on a certificate of necessity of the governor reciting facts which in the judgment of governor constitute an emergency requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each house of the State legislature, the State is authorized to intervene in the “property, affairs and governments” of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of local government is further supported by Article VIII, Section 12 of the Constitution, which declares it to be the duty of the State legislature to restrict, subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

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

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

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

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

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

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

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

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

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

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity in each series of Bonds, in the aggregate principal amount of such maturity, 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 or note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

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

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

Principal and interest payments on the Bonds and payments of redemption price, will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County, on the 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 County, 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 County, 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 County. Under such circumstances, in the event that a successor depository is not obtained, bond and note certificates are required to be printed and delivered.

The County may discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond and note 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 County believes to be reliable, but the County 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 COUNTY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF. IN ADDITION, THE COUNTY 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 A BONDOWNER.

THE COUNTY 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 COUNTY 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.

## **MARKET AND RISK FACTORS**

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

### ***Financial Condition of the County***

The financial and economic condition of the County as well as the market for the Bonds could be affected by a variety of factors, some of which are beyond the County'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 County to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Bonds, could be adversely affected.

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 to incur a potential capital loss if such bond or note is sold prior to its maturity.

### ***Reliance on and Uncertainty of State Aid***

There can be no assurance that the State appropriation for State aid to municipalities and school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the County 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 County can be paid only if the State has such monies available therefor. (See “State Aid” herein).

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

### ***Tax Matters and Changes in Law***

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 County. Any such future legislation could have an adverse effect on the market value of the Bonds (See “Tax Matters” herein).

The enactment of the Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, including the County, school districts, and fire districts in the State could have an impact upon operations of the County and as a result, the market price for the Bonds. (See “Tax Levy Limitation Law,” herein.)

### ***Effects of COVID-19***

The outbreak of the novel coronavirus (“COVID-19”) has affected travel, commerce and financial markets globally, and is widely expected to affect national, state and local economies. The degree of any such impact to the County’s operations and finances is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, (ii) severity and (iii) ultimate geographic spread, as well as with regard to what actions may be taken by governmental authorities to contain or mitigate its impact. Nonetheless, there can be no assurances that the spread of COVID-19 will not materially adversely impact the financial condition of the County.

The County realized a \$23.6 million operating surplus in the general fund for the fiscal year ended December 31, 2020 (See “2020 Results” herein.) The County attributes the operating surplus in part to measures taken in 2020 to mitigate potential losses due to COVID-19, including reserving budget appropriations, cuts to discretionary spending, abolishing vacant positions and instituting a hiring freeze. The savings from these actions was approximately \$8 to \$10 million. In addition, the receipt of many County revenues such as sales taxes, residential energy taxes and mortgage taxes exceeded the amounts that were originally projected during the height of the pandemic. The County has accepted multiple State and Federal grants to pay the costs of needed personal protective equipment and overtime costs. In addition, the County submitted claims to FEMA for eligible expenses not covered under these grants. Finally, the County has been notified that it will be receiving \$63 million in Federal relief as part of the American Rescue Plan (“ARP”) on dates in the future which are still to be determined. Such funds will be paid in two tranches, approximately \$31.5 million was received in June 2021 and the remaining balance in a later tranche in FY2022. The County anticipates that these funds will be held in a restricted cash account until such time as the County determines the eligible criteria and needed expenditures for the funds.

## ***Cybersecurity***

The County, 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 County faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the County 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 County digital networks and systems and the costs of remedying any such damage could be substantial. The County holds two insurance policies for various cyber-attack events.

## **CERTAIN FORWARD DELIVERY CONSIDERATIONS OF THE SERIES A BONDS**

Subject to the terms of the bond purchase agreement as it relates to the Series A Bonds (the “Purchase Agreement”) between the County and D.A. Davidson & Co., acting on its own behalf (the “Underwriter”), the County expects to issue and deliver the Series A Bonds on or about January 4, 2022 (the “Series A Closing Date”). In connection with the sale of the Series A Bonds, investors will be required to sign a forward delivery contract (each a “Forward Delivery Contract”) with the Underwriter, the form of which is attached hereto as Appendix F. The County is not a party to the Forward Delivery Contract, and the County is not in any way responsible for the performance thereof or for any representations or warranties contained therein. The rights and obligations under the Purchase Agreement are not conditioned or dependent upon the performance of any Forward Delivery Contract.

The following is a description of certain provisions of the Purchase Agreement and the Forward Delivery Contract. This description is not considered a full statement of the terms of the Forward Delivery Contract and accordingly is qualified by reference thereto and is subject to the full text thereof.

### ***Settlement of the Series A Bonds***

Under the Purchase Agreement, the Underwriter is not required to purchase the Series A Bonds if, among other conditions:

- (1) There shall have been a Change in Law. A “Change in Law” means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies; (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Series A Closing Date), (iii) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date which is on or before the Series A Closing Date) or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would, (a) as to the Underwriter prohibit the Underwriter from completing the underwriting of or selling the Series A Bonds or beneficial ownership interests therein to the public, or (b) as to the County, would make the completion of the issuance, sale or delivery of the Series A Bonds illegal;
- (2) As a result of any legislation, regulation, ruling, order, release, court decision or judgment or action by the U.S. Department of the Treasury, the Internal Revenue Service, or any agency of the State either enacted, issued, effective, adopted or proposed (but only with respect to any such proposed legislation, regulation, ruling, order, release, court decision or judgment or action that continues to be proposed as of the Series A Closing Date), or for any other reason Bond Counsel cannot issue an opinion substantially in the form of Appendix D to the Official Statement as to the tax-exempt status of the Series A Bonds; or
- (3) A general banking moratorium shall have been declared by federal, New York or State authorities having jurisdiction and shall remain in effect; or

- (4) Legislation shall have been enacted by the Congress of the United States or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the Series A Bonds or the closing documents, or any comparable securities of the County, are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, the Securities Exchange Act of 1934 or the Trust Indenture Act of 1939 or otherwise, or would be in violation of any provision of the federal securities laws; or
- (5) Any event or circumstance exists that either makes untrue or incorrect, in a material respect, any statement or information contained in the Official Statement, or is not reflected in the Official Statement but should be reflected in the Official Statement in order to make the statements and information contained in the Official Statement not misleading in any material respect and, in either such event, the County refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Series A Bonds or the ability of the Underwriter to enforce contracts for the sale of the Series A Bonds; or
- (6) The County does not deliver a certification as of the Series A Closing Date to the effect that (i) the evidence of the ratings on the Series A Bonds delivered at and as of the Closing Date remain accurate or (ii) the ratings on the Series A Bonds at and as of the Series A Closing Date are as stated in such certification.

### ***Tax Law Risk of the Series A Bonds***

Subject to the additional conditions of settlement under the caption “Settlement of the Series A Bonds” above, the Purchase Agreement obligates the County to deliver and the Underwriter to acquire the Series A Bonds if the County delivers opinion of Bond Counsel with respect to the Series A Bonds substantially in the form and to the effect as set forth in Appendix D attached to this Official Statement. During the Delayed Delivery Period (as hereinafter defined), new legislation, new court decisions, new regulations, or new rulings may be enacted, promulgated, or interpreted that might prevent Bond Counsel from rendering its opinion or otherwise affect the substance of such opinion. Notwithstanding that the enactment of new legislation, new court decisions, or the promulgation of new regulations or rulings might diminish the value of, or otherwise affect, the exclusion of interest on the Series A Bonds for purpose of federal income taxation payable on “state or local bonds” the County might be able to satisfy the requirements for the delivery of the Series A Bonds. In such event, the purchasers would be required to accept delivery of the Series A Bonds. Prospective purchasers are encouraged to consult their tax advisors regarding the likelihood of any changes in tax law and the consequences of such changes to such purchasers.

### ***Termination of Obligation***

The Underwriter is permitted to terminate their obligations with respect to the Series A Bonds by notification to the County on or prior to the Series A Closing Date if any of the events described above in items (1) through (6) under the caption “Settlement of the Series A Bonds” occurs.

### ***Additional Risks Relating to the Forward Delivery Period***

Issuance and delivery of the Series A Bonds will be dependent on receipt by the County of the opinion of Bond Counsel with respect to the Series A Bonds substantially in the form set forth in Appendix D and of certain other documents required by the Purchase Agreement, and payment of the purchase price by the Underwriter in accordance with the Purchase Agreement.

Bond Counsel could be prevented from rendering its opinion on the Series A Closing Date with respect to the Series A Bonds as a result of (i) changes or proposed changes, prior to the Series A Closing Date, in applicable federal or state laws, court decisions, regulations, or proposed regulations, or rulings of administrative agencies or (ii) the failure of the County to provide closing documents, satisfactory to Bond Counsel, of the type customarily required in connection with the issuance of tax-exempt bonds.

### ***Secondary Market Risk During Delayed Delivery Period for the Series A Bonds***

The Underwriter is not obligated to make a secondary market in the Series A Bonds, and no assurances can be given that a secondary market will exist for the Series A Bonds during the period between the sale date for the Series A Bonds and the January 4, 2022 delivery date for the Series A Bonds (the “Delayed Delivery Period”). Purchasers of the Series A Bonds should assume that the Series A Bonds will be illiquid during the Delayed Delivery Period.

### ***Market Value Risk of the Series A Bonds***

The market value of the Series A Bonds as of Series A Closing Date may be affected by a variety of factors including, without limitation, general market conditions, the financial condition and business operations of the County or modifications to laws that may diminish the value of, as opposed to eliminating the exclusion from gross income for federal income tax purposes, interest payable on “state or local bonds” that will not prevent the County from satisfying all material conditions precedent for the delivery of the Series A Bonds. The market value of the Series A Bonds as of Series A Closing Date could therefore be higher or lower than the price to be paid by the initial purchasers or subsequent purchasers of the Series A Bonds, and that difference could be substantial. Neither the County nor the Underwriter make any representation as to the expected market price of the Series A Bonds as of Series A Closing Date. Further, no assurance can be given that the introduction or enactment of any future legislation will not affect the market price for the Series A Bonds as of the Series A Closing Date or thereafter or not have a materially adverse impact on any secondary market for the Series A Bonds.

## **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, for 2019 data, of the State Comptroller designates the County as “No designation,” with a fiscal score of 25.8%. The County was given an environmental score of 33.3%.

The financial affairs of the County are subject to periodic compliance reviews by OSC to ascertain whether the County has complied with the requirements of various State and federal statutes. The last audit conducted by OSC was released on May 15, 2020. The purpose of the audit was to review whether the Acting Public Administrator disposed of estate real property in accordance with Office of Public Administrator guidelines. The complete report can be obtained from OSC’s website.

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

## LITIGATION

The County, and its officers and employees, are defendants in lawsuits. The County Attorney and the County Insurance Coordinator have reviewed the status of pending cases and have determined that, except as disclosed below, there are no cases currently pending which may result in a judgment against the County for an amount of at least \$2,000,000 or if aggregated with similar cases, may result in \$10,000,000 or more of liability. Under the Local Finance Law, the County has the power to finance such liabilities through the issuance of bonds or notes.

The County is a defendant in a Public Employer Relations Board (“PERB”) action in which claimants, affected employees and retirees allege that the County unlawfully terminated a benefit which the claimants are entitled to by the effect of a past practice. The terminated benefit was the waiver or reduction of co-pays for pharmaceuticals obtained with compensation from County provided insurance coverage. The PERB actions (Nos. U-32492, U-32518, U-32688, U-32734 and, U-32737) were determined in the favor of the County by the PERB ALJ. However, the PERB Board has found in favor of the claimants. The County still has an opportunity to challenge the finding in State Court. The matter is not yet final. Potential liabilities on the lawsuit may be \$650,000 per year retroactive to February 25, 2013 and for the foreseeable future. Potential liabilities related to the PERB claims may be, collectively, \$1.25 million per year commencing February 25, 2013 and for the foreseeable future.

The County is a defendant in the matter of *Orange & Rockland Utilities v. County of Rockland et al.* (Supreme Court, Rockland County, Index No. 31457/2017). The Plaintiff is seeking damages in the amount of \$3.03 million plus prejudgment interest related to damages caused to damage and extra maintenance to Plaintiff’s gas lines as a result of nearby blasting by a County contractor, Metra Industries. Metra has been put on notice of a duty to indemnify the County. The matter remains in the discovery phase.

*Sympaticare v. County of Rockland* (Rockland Sup. Ct., 30759/2015; 2d Dept., 13856/2018). The Plaintiff is suing for breach of contract and return of down payment concerning the sale of Summit Park Nursing Care Center. The court granted the County’s motion for summary judgment; Sympaticare Plaintiffs appealed. The Appellate Division upheld the Supreme Court’s decision granting summary judgment in favor of the County and Health Facilities, thereby entitling the County to retain the down payment and extension fees. Plaintiff’s time to seek additional review from the Court of Appeals expires shortly. Pursuant to the ruling by the Appellate Division, the County is entitled to retain the \$3.7 million down payment.

*Estate of Fedy Martinez v. County of Rockland* (SDNY 21-cv-01276-kmk). This is a wrongful death action filed in Federal Court seeking damages for a Rockland County Jail inmate who died in Sheriff custody allegedly as a result of assault and battery committed by Corrections Officers. Plaintiff is seeking \$20 million in damages. The County has answered and discovery is ongoing.

*Richard Dube v. County of Rockland* (Supreme Court, Rockland County, Index No. 030438/2011). Plaintiff was a police officer in the Town of Ramapo, who volunteered for and was at the physical try out test to join the County REACT (SWAT) Team. In the course of the physical test, Plaintiff became overheated and dehydrated. He suffered liver failure and required a liver transplant. Plaintiff is seeking \$5,600,000 from the County. The County had a summary judgement awarded based on the premise that while the Plaintiff was taking the test, he was a special employee of the County. That judgement was overturned on appeal. It was ruled his employment status was a matter of fact to be determined by a jury and not a matter of law for the judge.

## TAX MATTERS

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

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

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

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

Legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. For example, certain legislative proposals in recent years have been made that would limit the exclusion from gross income of interest on obligations like the Bonds to some extent for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Bonds. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

## **LEGAL MATTERS**

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

Certain legal matters will be passed upon for the Underwriter of the Bonds by its counsel, Hawkins Delafield & Wood LLP, New York, New York. Certain legal matters will be passed upon for the County by its County Attorney.

## **DISCLOSURE UNDERTAKING**

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

## ***Compliance History***

The County has established procedures to ensure that future filings of continuing disclosure information will be in compliance with existing continuing disclosure obligations, including transmitting such filings to the MSRB through the MSRB's Electronic Municipal Market Access system ("EMMA").

During the previous five years, the County did not timely file audited financial statements for its fiscal years ended December 31, 2015 and 2016, and unaudited financial statements for its fiscal year ended December 31, 2020 and did not file or timely file notice of its failure to provide the aforementioned information on or before the date specified in its prior continuing disclosure undertakings. Such filings were subsequently made on EMMA on March 21, 2019, January 2, 2018 and July 1, 2021, respectively.

## **RATINGS**

On July 14, 2021, S&P Global Ratings ("S&P") upgraded the County's long-term, underlying credit rating to 'AA' from 'A+' with a stable outlook and assigned such rating to the Bonds.

On July 9, 2021, Moody's Investors Service ("Moody's") upgraded the County's long-term, underlying credit rating from 'A1' to 'Aa2' with a stable outlook and assigned such rating to the Bonds.

On June 29, 2021, Fitch Ratings ("Fitch") affirmed the County's long-term, underlying credit rating of 'A' and revised the outlook from stable to positive. The County did not apply to Fitch for a rating on the Bonds.

With respect to the Moody's, S&P and Fitch ratings applicable to the Bonds and the County, such ratings reflect only the view of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agencies. There can be no assurance that such ratings will continue for any specified period of time or that such ratings will not be revised or withdrawn, if in the judgment of Moody's, S&P and Fitch, circumstances so warrant. Any such change or withdrawal of such ratings may have a material effect on the market price of or the availability of a secondary market for those bonds or notes.

## **UNDERWRITING**

The County has selected D.A. Davidson & Co. ("Davidson") as the senior manager, book-running underwriter for the Bonds.

Davidson has agreed, subject to certain conditions, to purchase the Series C Bonds from the County at an aggregate purchase price of \$ \_\_\_\_\_ (which reflects an Underwriter's discount of \$ \_\_\_\_\_ and a net original issue premium of \$ \_\_\_\_\_) and to offer the Series C Bonds at the public offering price or prices set forth on the inside cover page hereof.

Davidson has agreed, subject to certain conditions, to purchase the Series A Bonds from the County at an aggregate purchase price of \$ \_\_\_\_\_ (which reflects an Underwriter's discount of \$ \_\_\_\_\_ and a net original issue premium of \$ \_\_\_\_\_) and to offer the Series A Bonds at the public offering price or prices set forth on the inside cover page hereof.

The Bonds may be offered and sold to certain dealers (including dealers depositing such Bonds into investment trusts) at lower than such public offering prices, and prices may be changed, from time to time, by the Underwriter. The Underwriter's obligations are subject to certain conditions precedent, and they may be obligated to purchase all such Bonds if any such Bonds are purchased.

## **MUNICIPAL ADVISOR**

Capital Markets Advisors, LLC, Great Neck and New York, 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 municipal advisor to the County 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 County 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 County. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Bonds.

### **ADDITIONAL INFORMATION**

Additional information may be obtained from the County's municipal advisor, Capital Markets Advisors, LLC, 11 Grace Avenue, Suite 308, Great Neck, New York 11021, (516) 487-9817.

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

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

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

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

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

Capital Markets Advisors, LLC may place a copy of this Official Statement on its website at [www.capmark.org](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 County nor Capital Markets Advisors, LLC assumes any liability or responsibility for errors or omissions on such website. Further, Capital Markets Advisors, LLC and the County 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 County also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.



This Official Statement has been prepared only in connection with the sale of the Bonds by the County and may not be reproduced or used in whole or in part for any other purpose.

COUNTY OF ROCKLAND, NEW YORK

By: \_\_\_\_\_  
Stephen F. DeGroat  
Commissioner of Finance

DATED: September \_\_, 2021

**(THIS PAGE WAS INTENTIONALLY LEFT BLANK)**

**APPENDIX A**

**THE COUNTY**

**(THIS PAGE WAS INTENTIONALLY LEFT BLANK)**

## **THE COUNTY**

There follows in this Official Statement a brief description of the County, together with certain information concerning its governmental organization, revenue and expenditures, indebtedness, and economy.

### ***General Information***

The County was organized in 1798 and presently has a land area of 176 square miles. The County is approximately 33 miles northwest of Manhattan and is bordered by Orange County to the north and west, Bergen County, New Jersey to the south and the Hudson River to the east. Within the County are five towns (Clarkstown, Haverstraw, Orangetown, Ramapo and Stony Point), 19 incorporated villages and nine independent school districts.

The County is one of the suburban counties located within the New York Metropolitan Area and is primarily residential in character. Portions of the County, proximate to the New York State Thruway (U.S. Interstate 87/287), are well developed and heavily populated. Approximately 98.3% of the County's population (2010 census) resides within 9 miles of the New York State Thruway. Northern sections of the County are more rural due, in part, to the extensive system of parks located in this part of the County. Various parklands, including the Palisades Interstate Park System and the Bear Mountain-Harriman State Park, comprise about 30% of the County's total acreage.

Population of the County has increased steadily since 1950. According to the U.S. Census Bureau, the County's population grew from 89,276 in 1950 to 338,329 in 2020. (See "ECONOMIC AND DEMOGRAPHIC DATA," herein).

A major part of the County's labor force, over 57%, is employed in service-related industries. According to 1<sup>st</sup> quarter 2021 data compiled by the State Labor Department, only about 2.0% of the workforce was employed by companies engaged in manufacturing. Many residents commute to jobs in New York City or Westchester County which is connected to the County by the Mario Cuomo Bridge and U.S. Interstate 87/287. Approximately 13% of the County's labor force is classified as government related; a significant part of this group of employees works at various State hospitals and institutions located in the County. Major non-governmental employers in the County include: Montefiore Nyack Hospital (employing 1,968), Good Samaritan Hospital (employing 1,817), Hamaspik Homecare (employing 1,200), Northern Services Group (employing 1,200), Rockland Psychiatric Center (employing 1,156), Jawonio (employing 1,100), Yedei Chesed (employing 945), Saint Dominic's Family Services (employing 920), Community Home Health & Aide Services (employing 900), Helen Hayes Hospital (employing 891), Orange and Rockland Utilities (employing 817) and Pfizer Pharmaceuticals (employing 800). (See "ECONOMIC AND DEMOGRAPHIC DATA", herein.)

Service related industries for the figures above include Information; Finance and Insurance; Real Estate Rental and Leasing; Professional and Technical Services; Administrative and Waste Services; Educational Services; Health Care and Social Assistance; Arts, Entertainment and Recreation; Accommodation and Food Services; and Other Services.

Wealth levels for the County's residents are significantly above the national average. According to the Bureau of Economic Analysis, the estimated per capita personal income of County residents in 2019 was \$63,167. State and U.S. income averages reported on this basis were \$71,717 and \$56,490, respectively. According to the U.S. Census Bureau, the median household income for households in the County for 2019 was \$100,916, which was significantly greater than the median household income of \$72,108 for the State. (See "ECONOMIC AND DEMOGRAPHIC DATA" herein).

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

Pursuant to the provisions of Local Law 14 - 1984, the County adopted a charter form of government in accordance with the provisions of the Municipal Home Rule Law of the State. The charter provides for separate and independent executive and legislative functions. A County Executive was elected in November, 1985 and took office on January 1, 1986, when the provisions of Local Law 14 - 1984 became effective.

The County Executive is elected from the County at large for a term of four years with the right of unlimited self-succession. Such executive must reside in the County for a minimum of five years before his/her election and may

not concurrently hold another public office. The County Executive is the chief executive officer responsible for the administration of all County affairs and also acts as the County's Budget Officer. The County Executive is required to consider all acts of the County Legislature for approval or disapproval. Any act which is not approved must be returned to the Legislature within 30 days, together with a written explanation for the disapproval, or is otherwise deemed to have been approved by such Executive. The County Legislature may override a veto of the County Executive with a 2/3 vote of its membership.

The current County Executive, Edwin J. Day, began his first term on January 1, 2014. Prior to his election, Mr. Day served in the New York City Police Department for 15 years followed by serving as Chief of Detectives in the Baltimore Police Department overseeing the entire 3,200 member force. Most recently, Mr. Day served as a member of the County Legislature from January 2006 until his election to the County Executive's office in November 2013.

The County Legislature is the legislative, appropriating and policy determining body of the County and consists of 17 members, elected from single-member districts located within the County. Members are elected to serve an unlimited number of 4-year terms and each legislator has one vote instead of a weighted vote. The County Legislature is assisted in its duties by a full-time staff of 20 employees as well as nine part-time employees.

Duties of the County Legislature include: review and adoption of the County's annual budget, approval of budgetary modifications during the year and authorization by resolution for the issuance of County debt. Legislative committees have been organized to oversee various functions of County government. These committees are advisory in nature and formal actions must be approved by a formal vote of the County Legislature as a whole. Each year since 1970, the County Legislature has retained the services of an independent public accounting firm to audit the financial records of the County and issue its report thereon.

The chief fiscal officer of the County is the Commissioner of Finance who is appointed by the County Executive and confirmed by the County Legislature. The Commissioner of Finance is responsible for the administration of the financial affairs of the County. Duties of this position include: collecting and disbursing County funds, investing such funds for temporary periods, issuing debt approved by the County Legislature, maintaining accounting records and preparing financial statements therefrom. The current Commissioner of Finance is Stephen F. DeGroat.

Other elected officials include: the County Clerk, District Attorney and Sheriff who are elected from the County at large for 4-year terms.

### ***Municipal Services***

Residents of the County receive a full range of services from the County government including: higher education (Rockland Community College); highway maintenance and improvement; police protection and law enforcement; social services; mental health services; solid waste management; sewage treatment (in that part of the County designated as County Sewer District No. 1); tax collection and enforcement (the County guarantees 100% of the taxes raised by the towns, participating villages and school districts of the County); parks and recreation; bus transportation; planning and development; emergency preparedness and consumer protection.

### **Community College**

The Rockland Community College (the "College") was established in 1959 with the County as the local sponsor under provisions of Article 126 of the Education Law. The College is administered by a board of trustees consisting of nine voting members; five members are appointed by the County Legislature and four members by the governor. The College budget is subject to the approval of the County Legislature. One-half of the capital costs and approximately one-fourth of operating expenses are paid for by the County. Title to real property of the College vests with the County; the County issues debt to finance capital projects of the College. The College reports its financial transactions on a fiscal year which ends on August 31. Certain financial information on the College may be found in this Official Statement and appendices hereto. The College is currently providing distance learning and its operations are following the Governor's protocol for State University of New York colleges.

## Hospital Facility

The Yeager Health Center (formerly known as Summit Park Hospital and Rockland County Infirmary) (the "Hospital Facility") was a long-term acute care hospital and skilled nursing facility established and operated until the end of the County's 2015 fiscal year under Article 6 of the General Municipal Law. The County had historically been responsible for the operations of the Hospital Facility. Prior to its closure, the Hospital Facility was required to make detailed annual reports of its operations to the County Legislature including any matters that the County Legislature may require. The County has issued debt to finance its capital program, with the debt service funded from the Hospital Enterprise Fund. The following table reflects operating results at the Hospital Facility from 2007 to 2016.

### Summit Park Hospital/ Rockland County Infirmary As Enterprise Fund of the County of Rockland Operating Profit or Loss Schedule For the Years 2007-2016<sup>(1)</sup>

| Year<br>Dec 31:     | Total<br>Profit or (Loss) | L/T Acute Care<br>Skilled Nursing<br>Facility | Mental<br>Health |
|---------------------|---------------------------|---|------------------|
| 2016 <sup>(3)</sup> | \$ 0                      | \$ 0  | \$ 0             |
| 2015                | (8,678,284)               | (10,206,500)                                  | 1,528,216        |
| 2014                | (7,627,478)               | (9,544,531)                                   | 1,917,053        |
| 2013                | (22,032,507)              | (9,817,365)                                   | (12,215,142)     |
| 2012                | (16,134,134)              | (9,799,726)                                   | (6,334,408)      |
| 2011                | (12,963,128)              | (7,752,023)                                   | (5,211,105)      |
| 2010                | (10,123,325)              | (8,164,464)                                   | (1,958,861)      |
| 2009                | (7,720,714)               | (3,053,386)                                   | (4,667,328)      |
| 2008 <sup>(2)</sup> | 5,169,424                 | 10,521,436                                    | (5,352,012)      |
| 2007                | (15,746,685)              | (6,726,100)                                   | (9,020,585)      |

- (1) Exclusive of contributions from General Fund, exclusive of Other Postemployment Benefits other than Pension and inclusive of interest expense.
- (2) Inclusive of Intergovernmental Transfer (IGT) recoupment for the years 2005-2007.
- (3) The facility was closed on December 31, 2015 and ceased operations.

Source: County Officials

Certain additional financial information on the Hospital Facility may be found in this Official Statement and the appendices hereto, including the County's audited financial statements.

### *Closure of Hospital Facility*

In 2013, the County Legislature determined to end its financial support of the Hospital Facility. The initial plan to accomplish this goal was implemented in 2013 when the County Legislature authorized the formation and organization of a local development corporation to be known as the Rockland County Health Facilities Corporation (the "Corporation") and the execution of lease and leaseback agreements between the County and the Corporation (the "Lease Agreements") providing for transfer to the Corporation of all of the County's right, title and interest in and to the Summit Park Nursing Care Center (the "Skilled Nursing Facility"), constituting a portion of the Hospital Facility, by ninety-nine year lease, with option to take fee title, subject to the retained rights of the County to continue to operate such facility until such time as the Corporation terminates such reserved rights.

After the transfer of the Skilled Nursing Facility from the County to the Corporation was completed, proposals for private acquisition and operation of the Skilled Nursing Facility were received. By resolution adopted on

December 30, 2013, the County Legislature authorized the transfer to the Corporation of the County's remaining interest in Building A at the County's office campus in Pomona, New York ("Building A") which housed the Skilled Nursing Facility and the County-owned, 100-bed long term acute care hospital ("LTACH"). Such transfer was made in March 2014 by ninety-nine year lease, with option to take fee title, subject to the retained rights of the County to continue to operate its remaining interest in Building A including the Skilled Nursing Facility and the LTACH, until such time as the Corporation terminates such reserved rights.

The Corporation engaged in the procurement of a private purchaser and operator for the Skilled Nursing Facility and the LTACH, and in July 2014 approved a purchase and sale agreement by and among the Corporation and Summit Park Acquisition Group LLC and its related entities (collectively, "SPAG") as the purchaser of Building A, and operator of the Skilled Nursing Facility and the LTACH. The purchase and sale agreement ("PSA") between the Corporation and SPAG provided for a Closing Date of December 31, 2014, subject to payment of a good faith deposit on the purchase price as well as monthly extension fees.

After extensive negotiations, on September 29, 2015, SPAG notified the Corporation that it was exercising its right to terminate the PSA, and on September 30, 2015 the Corporation sent a Notice of Termination to SPAG stating that SPAG was in default under the PSA because it had intentionally failed to close the sale transaction by September 30, 2015 in accordance with the terms of the PSA.

As a consequence of SPAG's delivery of its notice of termination of the PSA, on September 30, 2015, the County Executive announced a contingency plan to cease operations and close the Skilled Nursing Facility and LTACH facilities by the end of 2015. Such closure plan was approved by the State Department of Health and the facility was closed on December 31, 2015.

The County is in receipt of a Summons and Complaint from Shalom Braunstein, individually and as principal of the Plaintiffs, Sympaticare LLC, Sympaticare Health LLC and SPAG filed in New York State Supreme Court, Rockland County, Index No. 30759/2016. The suit is brought against the County, as operator and owner of the property and operation, and the Corporation, as the property possessor and the party who contracted with Plaintiffs for the transaction. The complaint sounds principally in contract. Plaintiffs seek the return of approximately \$3.9 million in good faith deposit funds originally deposited by SPAG, approximately \$122,000 of miscellaneous contract damages and damages for other, unspecified claims that bring the total claims to \$5.87 million. The County has answered the suit and brought a counterclaim in the amount of approximately \$16 million. The County alleges that the Plaintiffs breached the contract in such a manner that the County is entitled to the \$3.9 million down payment and that the Plaintiffs misrepresented their ability to close the transaction, as they knew or should have known that they would not be able to obtain the financing or the licenses and other State authorizations required to operate the facilities by the contractual date of closing, thus causing the County to expend about \$12 million in operating costs it could have avoided. The County was successful in its claim to the down payment amount. However, the defendants have appealed. That appeal is pending. The County's counterclaim for \$12 million in damages remains pending.

With respect to closing the facility, approximately \$5.7 million in compensated balances, such as sick time, holiday and vacation time for County employees whose positions were abolished in connection with the closure plan, were funded in the County's 2015 Adopted Budget. Approximately \$14 million for additional costs related to the closure plan, including unemployment insurance, healthcare and other costs allocated to the Hospital Enterprise Fund were funded in the County's 2016 Adopted Budget.

### **Other Municipal Entities and Districts**

Some of the services provided by the towns and villages in the County include: highway maintenance, parks and recreation, planning and zoning and subdivision control, police protection, tax assessment and local courts. There are nine public school districts located within the County which provide primary and secondary education. The towns, villages and school districts have independent debt and taxing powers.



## ***Solid Waste Program***

The New York State Department of Environmental Conservation approved the County's Solid Waste Management Plan (the "Plan") in 1992. In 1994, the Solid Waste Management Authority (the "Authority") was created by the County Legislature to implement the Plan. In carrying out the Plan, the Authority was made responsible for developing various facilities that would help divert the different types of waste streams from being landfilled.

In 1994, the Household Hazardous Waste Facility, the first of the facilities, was constructed. This facility is an environmentally responsible outlet for disposing of household chemicals that should not be thrown away with the regular trash. At least twice monthly the facility is open to the residents of the County wishing to dispose of materials such as used motor oil, herbicides and pesticides, pool and photo chemicals, paints and stains, etc.

In 1996, the Authority entered into an agreement with the Town of Clarkstown to provide yardwaste composting services for all of Rockland County. The Town of Clarkstown operates a composting facility, which accepts leaves, grass and brush from throughout the County. By means of the windrow method, yardwaste is turned into mulch and compost for consumer and municipal use.

With the purchase of the Scalehouse and Transfer Station from the Town of Ramapo in August 1998, the Authority began providing disposal services for garbage as well. In addition, a portion of the Transfer Station was converted into a Preprocessing Facility for bulky wastes, construction and demolition debris, and mixed recyclables. The Preprocessing Facility has been in operation since February of 2002.

In addition, the Authority provides municipal solid waste and recyclable collection services to three villages located within the County, as well as to the County office complexes.

During the summer of 1998, the Authority opened its Materials Recovery Facility, which is a processing facility for recyclables. In 2012, the Authority received and processed over 19,000 tons of recyclable materials. A Sludge Co-composting Facility, which commenced operations in 1999, has the capability of accepting 108 tons of biosolids per day, or approximately 28,000 tons per year. Both facilities are publicly owned and privately operated.

The Sludge Co-composting Facility was financed through the State Revolving Fund Program. Certain related costs, which were ineligible for financing through the State's Environmental Facilities Corporation and the costs for the Materials Recovery Facility, were financed with Authority bonds. The Authority issued \$22,936,000 in bonds through the Environmental Facilities Corporation to finance the Sludge Co-composting Facility and \$11,620,000 in bonds to finance the Materials Recovery Facility, as well as certain ineligible costs for the Co-composting Facility. In 1998, the Authority received grants of \$2,000,000 for the Materials Recovery Facility and \$2,000,000 for the Co-composting Facility from the State. The proceeds of these grants have been used to pay capital costs relating to each facility. The Transfer Station, Scalehouse and the Preprocessing Facility were financed in September 1999 by a bond issue in the amount of \$4,000,000. The Authority has received an additional grant in the amount of \$1,093,171 from the State for the Preprocessing Facility. In August 2010, the Authority issued \$11,900,000 bonds to pay for the cost of upgrades and repairs to its municipal solid waste transfer station located in the Town of Clarkstown and \$2,250,000 refunding bonds to refund a portion of the Authority's outstanding General Obligation Bonds, Series 1999A (AMT).

The Authority has the power to levy its own tax assessments and impose other fees and charges. The Authority has had stable financial operations since its inception in 1994. The Authority has not relied on any financial assistance from the County and has no plans to rely on such assistance in the future. The County has no legal obligation to provide financial assistance to the Authority.

## ***Employees***

Thirteen labor organizations, which were recognized by the County or certified by N.Y.S. PERB under the provisions of the State's Taylor Law, represent 2,287 County employees. The principal union of County employees is the Rockland County Local #844 of the Civil Service Employees Association, Inc., Local #1000, American Federation of State, County, and Municipal Employees, AFL-CIO (A.F.S.C.M.E.), representing approximately 1,112 employees of the County and the Rockland Community College at all levels with the exception of those in management, supervisory or professional positions.

The following chart provides information on recent union membership and contract expiration dates:

| <b><u>Union Contracts</u></b>   |                       |                                     |
|---|-----------------------|-------------------------------------|
| Union Contracts   | Employees Represented | Date of Expiration Current Contract |
| Rockland County Local #844, CSEA, Inc., Local #1000 (A.F.S.C.M.E.)                              | 1,006                 | 12/31/21                            |
| Rockland Association of Management, NYSUT, AFT Local 4404, AFL-CIO                              | 202                   | 12/31/21                            |
| The Correction Officers' Benevolent Association of Rockland County                              | 145                   | 12/31/20 <sup>(1)</sup>             |
| Superior Officers Council of the Sheriff's Corr. Off. Assoc. of Rockland County                 | 28                    | 12/31/20 <sup>(1)</sup>             |
| Doctors Council, SEIU Local 10MD  | 7                     | 12/31/21                            |
| United Public Service Employees Union #424  | 52                    | 12/31/21                            |
| Rockland County Sheriff's Deputies Association, Inc.  | 76                    | 12/31/19 <sup>(1)</sup>             |
| Rockland District Attorney's Criminal Investigators Association                                 | 14                    | 12/31/19 <sup>(1)</sup>             |
| Rockland County Sheriff's Transport and Relief Deputies Association                             | 60                    | 12/31/19 <sup>(1)</sup>             |
| Rockland District Attorney's Investigative Aides Association                                    | <u>8</u>              | 12/31/10 <sup>(1)</sup>             |
| Total County of Rockland:   | <u>1,598</u>          |                                     |
| Rockland Community College - Rockland County Local #844, CSEA, Inc., Local #1000 (A.F.S.C.M.E.) | 106                   | 12/31/21                            |
| Rockland Community College - Rockland Association of Management, NYSUT, AFT Local 4404, AFL-CIO | 1                     | 12/31/21                            |
| Rockland Community College Federation of Administrators   | 88                    | 08/31/22                            |
| Rockland Community College Federation of Teachers (Local #1871)                                 | 113                   | 08/31/22                            |
| Rockland Community College Adjunct Faculty Association  | <u>381</u>            | 08/31/23                            |
| Total Rockland Community College:   | <u>689</u>            |                                     |
| Total Employees:  | <u>2,287</u>          |                                     |

(1) Negotiations pending.

Source: County Officials, County Departments of Personnel and Finance, Rockland Community College.

## **FINANCIAL FACTORS**

### ***Revenues***

The County derives a significant portion of its general fund revenues from a tax on real property (see "Statement of Revenues, Expenditures and Changes in Fund Balances" in Appendix B, herein). In 2020, property taxes accounted for 23.2% of total general fund revenues, State and Federal aid accounted for 23.2% and sales and use taxes accounted for 37.5%.

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

**Real Property Tax.** The following table sets forth total general fund revenues and real property tax revenues during the last five audited fiscal years, and the amount of such revenues budgeted for the current fiscal year.

| Fiscal Year<br><u>December 31:</u> | <u>Property Taxes</u>     |                                | Real Property<br>Taxes to<br>Revenues (%) |
|------------------------------------|---------------------------|--------------------------------|---|
|                                    | <u>Total<br/>Revenues</u> | <u>Real Property<br/>Taxes</u> |   |
| 2016                               | \$550,575,596             | \$117,807,368                  | 21.4%                                     |
| 2017                               | 542,393,805               | 120,966,743                    | 22.3                                      |
| 2018                               | 555,476,889               | 120,427,936                    | 21.7                                      |
| 2019                               | 576,011,608               | 126,257,139                    | 21.9                                      |
| 2020                               | 557,787,050               | 123,567,038                    | 22.2                                      |
| 2021 (Adopted Budget)              | 571,530,205               | 130,770,100                    | 22.9                                      |

Source: Audited Financial Statements and Adopted Budget of the County.  
Summary itself is not audited.

**Federal and State Aid.** The County also receives a significant portion of its revenues in the form of State and Federal aid. A significant portion of this revenue relates to reimbursements for social and health expenditures. There is no assurance that Federal Aid or the State appropriation for State aid to counties and other municipalities will continue, either pursuant to existing formulas or in any form whatsoever. The State is not constitutionally obligated to maintain or continue such aid. Federal or State budgetary restrictions which eliminate or substantially reduce aid could have a material adverse effect upon the County, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

The following table sets forth total general fund revenues and Federal and State aid revenues during the last five audited fiscal years, and the amounts of such revenues budgeted for the current fiscal year.

| Fiscal Year<br><u>December 31:</u> | <u>State and Federal Aid<br/>(General Fund – County)</u> |                    |                  | Total Federal<br>And State Aid | % of Total<br>Operating<br>Revenue |
|------------------------------------|--|--------------------|------------------|--------------------------------|------------------------------------|
|                                    | <u>Total<br/>Revenues</u>                                | <u>Federal Aid</u> | <u>State Aid</u> |                                |                                    |
| 2016                               | \$550,575,596  | \$53,765,401       | \$71,732,141     | \$125,497,542                  | 22.8%                              |
| 2017                               | 542,393,805  | 50,972,372         | 72,948,034       | 123,920,406                    | 22.8                               |
| 2018                               | 555,476,889  | 51,016,501         | 74,182,933       | 125,199,434                    | 22.5                               |
| 2019                               | 569,611,269  | 43,083,721         | 84,838,500       | 127,922,221                    | 22.5                               |
| 2020                               | 557,787,050  | 43,033,972         | 86,152,480       | 129,186,452                    | 23.2                               |
| 2021 (Adopted Budget)              | 571,530,205  | 42,053,850         | 78,897,250       | 120,951,100                    | 21.2                               |

Source: Audited Financial Statements and Adopted Budget of the County.  
Summary itself is not audited.

See also “MARKET AND RISK FACTORS – Reliance on and Uncertainty of State Aid” herein.

**Sales and Use 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 and 0.375% Metropolitan Commuter Tax imposed by the State. 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. In March 2009, the County increased its sales tax from 3.625% to 4.00%. The additional 1.00% above the base 3.00% sales and use tax, last renewed in 2020, is authorized through November 30, 2023.

The following table sets forth general fund revenues and sales and use tax receipts during the last five audited fiscal years, and the amount of such revenues budgeted for the current fiscal year.

| <u>Fiscal Year</u>    | <u>Sales Taxes</u>    |                    |                                |
|-----------------------|-----------------------|--------------------|--------------------------------|
|                       | <u>Total Revenues</u> | <u>Sales Taxes</u> | <u>Sales Taxes to Revenues</u> |
| 2016                  | \$550,575,596         | \$198,017,776      | 36.0%                          |
| 2017                  | 542,393,805           | 199,115,739        | 36.7                           |
| 2018                  | 555,476,889           | 208,573,520        | 37.5                           |
| 2019                  | 576,011,608           | 222,122,513        | 38.6                           |
| 2020                  | 557,787,050           | 209,189,402        | 37.5                           |
| 2021 (Adopted Budget) | 571,530,205           | 205,050,000        | 35.9                           |

Source: Audited Financial Statements and Adopted Budget of the County.  
Summary itself is not audited.

### ***Investment Policy***

Pursuant to Section 39 of the State's General Municipal Law, the County has adopted an investment policy applicable to the deposit and investment of all monies and financial resources of the County. The responsibility for the investment program has been delegated to the Commissioner of Finance who was required to establish written operating procedures consistent with the County's investment policy guidelines. According to the investment policy of the County, all investments must conform to the applicable requirements of law and provide for: the safety of the principal; sufficient liquidity; and a reasonable rate of return. The County reviews its investment policy on an annual basis.

### **Authorized Investments**

The County has designated eleven (11) banks which are located and authorized to conduct business in the State to receive deposits of money including special deposits and certificates of deposit. A \$110 million deposit limit has been established for each bank or trust company.

In addition to bank deposits, the County is permitted to invest monies in obligations of the United States of America, obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America and obligations of the State. Other eligible investments for the County include: revenue and tax anticipation notes issued by any municipality, school district or district corporation other than those issued by the County (investment subject to approval of the State Comptroller); obligations of certain public authorities or agencies; obligations issued pursuant to Section 109(b) (10) of the General Municipal Law (certificates of participation) and certain obligations of the County but only with respect to monies held in certain reserve funds established by the County pursuant to Section 6 of the General Municipal Law. The County 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; 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 County, 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 pursuant to a written custodial agreement as

provided by Section 10 of the General Municipal Law. The County is not authorized to invest in reverse repurchase agreements or similar derivative type investments.

### **Collateral Requirements**

All County 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. The collateral pledged to secure such deposits may consist of "eligible securities", as defined in the General Municipal Law. Pursuant to its investment policy (described above), the County limits such "eligible securities" to the following classes of obligations: direct obligations of the United States of America, obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America, obligations of the State and obligations issued by counties, cities and other governmental entities in the State if such obligations are general obligations rated in one of the three highest rating categories by a nationally recognized statistical rating organization.

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 County's security agreements provide that the aggregate market value of pledged securities must equal or exceed the principal amount of the deposit, the agreed upon interest, if any, and any costs or expenses arising from the collection of such deposits in the event of a default. Securities not registered or inscribed in the name of the County must be delivered, in a form suitable for transfer or with an assignment in blank, to the County or its designated custodial bank. The custodial agreements used by the County 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.

### ***Financial Accounting and Reporting***

County finances are accounted for through the General Fund, Special Revenue Funds and other funds. The General Fund constitutes the primary operating fund of the County in that it includes all revenues and expenditures not required by law to be accounted for in other funds. The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain defined purposes and include: The County Road Fund - used to account for the maintenance and repair of County roads and bridges and snow removal costs; The Road Machinery Fund - used to account for the purchase, repair and maintenance of highway machinery, tools and equipment and for the construction, purchase and maintenance of buildings for the storage and repair of highway machinery equipment; The Risk Retention Fund - to account for claims, judgments, and losses, in lieu of, or in addition to, purchasing insurance coverage and for unemployment benefit payments; The Sewer Fund - to account for operation of the County's sewer district; and The Community Development Fund - to account for projects financed by entitlement from the U.S. Department of Housing and Urban Development. Other funds include: The Debt Service Fund - to account for the accumulation of resources to be used for the payment of principal of and interest on general long-term debt; The Capital Projects Fund - to account for financial resources to be used for the acquisition and construction of capital assets; and The Trust and Agency Fund - to account for assets held by the County in a trustee capacity or as agent for individuals, private organizations, or other governmental units and/or other funds. In addition, the County maintains a Community College Fund - to account for resources received and used for community college purposes; and an Enterprise Fund - to account for the operation of Yeager Health Center (formerly known as Summit Park Hospital and Rockland County Infirmary).

The financial statements of the County for the fiscal year ended December 31, 2020 were audited by the firm of Marks Paneth, LLP, Accountants & Advisors, New York, New York. (See Appendix C hereto for a link providing access to a copy of such financial statements on the MSRB's EMMA system website.)

The County's comprehensive annual financial reports for the years ended December 31, 1988 through 2015, inclusive, 2017, 2018 and 2019 from which certain information has been drawn, were awarded the Certificate of Achievement for Excellence in Financial Reporting ("Certificate of Achievement") by the Government Finance Officers Association of the United States and Canada ("GFOA"). The County did not submit its comprehensive annual financial report for the year ended December 31, 2016 due to the delay in its completion. The County has submitted its financial reports for the year ended December 31, 2020 for review and expects to receive the award

again. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, the contents of which conform to program standards. Such report must satisfy both generally accepted accounting principles and applicable legal requirements.

In addition, the County is required to file an Annual Financial Report Update Document (“AUD”) annually with the Office of the State Comptroller. The AUD is not audited and not prepared in accordance with GAAP. The County filed its AUD for the 2020 fiscal year by May 3, 2021 as required. A copy of the AUD is available upon request

### ***Expenditures***

The County's major expenditures are primarily for human services such as social services, public health, public safety, transportation, and culture and recreation. Municipalities located within the County provide primary police and fire protection and refuse collection while the public school districts are responsible for educating the children in the County. (See “Appendix B – Summary of Financial Statements and Budgets”.)

### ***Budget Process***

The County budgets, maintains accounting records, and prepares financial statements on a calendar year basis. Rockland Community College observes a fiscal year ending on August 31.

The annual County budget is published in accordance with guidelines established by the GFOA. The County was awarded the Distinguished Budget Presentation Award by GFOA for the years 2005 through 2009. The award represents a significant achievement by the County. It reflects the commitment of the County in meeting the highest principles of governmental budgeting. In order to receive the budget award, the County had to satisfy nationally recognized guidelines for effective budget presentation that meets program criteria as a policy document, a financial plan, an operations guide and a communications guide. The County has not applied for the award since 2010 due to time and resource constraints, but continues to conform its annual budget to the guidelines established by GFOA.

The County Executive annually prepares and files the County budget, in accordance with the provisions of the County Charter and County Law. On or before August 1, or such earlier date as the County Executive may prescribe, the administrative heads of all County departments and/or authorized agencies submit written estimates of expenses and revenues for the following year.

On or before October 1, the County Executive submits a proposed operating and capital budget for the ensuing year and a proposed capital program for the next six fiscal years together with his budget message to the Clerk to the County Legislature. Upon their submission, the operating and capital budgets (hereinafter collectively referred to as the "Proposed County Budget"), together with a budget message, become public records in the Clerk's office and are available for inspection and distribution.

The Proposed County Budget presents actual expenditures and revenues for the last two completed fiscal years, the adopted and amended budgeted appropriations and appropriations and estimated revenues for the ensuing fiscal year. The capital budget lists all existing projects, their sources of funding, funds expended to date, project status and any changes requested. The capital budget also indicates cost estimates and the funding requirements for new projects.

The County Legislature or a committee designated by it reviews and holds hearings on the Proposed County Budget. The attendance by the heads of units or their representatives at such hearings may be required as deemed appropriate by the Legislature.

Not later than November 20th of each year, the County Legislature holds a public hearing on the Proposed County Budget. At the hearing, any person may be heard and the hearing may be adjourned from day to day, but not beyond November 21st. After the conclusion of the public hearing, the Legislature may delete or reduce items of appropriation or anticipated revenue from the Proposed County Budget, except appropriations required by law for purposes such as debt service. The Legislature may add items to or increase items in the County budget provided that such additions or increases are separately and distinctly stated.

Pursuant to Chapter 468, the County Executive must submit to the State Comptroller each year, starting with the 2013 fiscal year and for each subsequent fiscal year during which deficit financing obligations are outstanding, the Proposed County Budget for the succeeding fiscal year. The State Comptroller must examine the Proposed County Budget and make such recommendations as deemed appropriate thereon no later than ten days before the date scheduled for the County Legislature's vote on the adoption of the final budget or the last date on which the budget must be adopted, whichever is sooner. Such recommendations shall be made after examination into the estimates of revenues and expenditures of the County. The County Legislature, no later than five days prior to the adoption of the budget, shall review any such recommendations made by the State Comptroller and make adjustments to the Proposed County Budget consistent with any recommendations made by the State Comptroller. (See "Deficit Financing Legislation" herein.)

The Proposed County Budget with such modifications, if any, must be adopted by resolution of the Legislature not later than December 7. The Proposed County Budget as submitted by the County Executive is deemed to be the adopted budget, if the Legislature takes no action by December 7.

Pursuant to the County Charter, if the Proposed County Budget, as submitted by the County Executive, is adopted by resolution of the Legislature with no changes, it is deemed to have been adopted without any further action by the County Executive. Chapter 468 does not address the ramifications if the County Legislature does not make adjustments to the Proposed County Budget consistent with any recommendations made by the State Comptroller. (See "Deficit Financing Legislation" herein.)

If the Proposed County Budget is modified by the County Legislature, it must be returned to the County Executive for examination and reconsideration. The County Executive may approve the budget, as modified by the County Legislature, by transmitting such budget and his approval to the Clerk to the County Legislature. If the County Executive objects to any modification to the budget, he must return the budget and a statement setting forth his objections and reason therefor to the Clerk to the County Legislature within 5 days after receiving the budget from the County Legislature. The County Legislature must then reconsider and approve the budget no later than December 20. A two-thirds vote of the County Legislature is needed to override the objections of the County Executive.

Budgetary control is the joint responsibility of the Budget Department and the Department of Finance. These departments supervise and control appropriations and monitor revenues. The County Legislature must approve interdepartmental amendments to the budget. Appropriation transfers within a department or functional category may be made by the County Executive. The County operates on an encumbrance accounting system wherein all purchase orders are encumbered. Appropriations in governmental funds lapse at the end of the year, however, outstanding encumbrances may be reappropriated in the succeeding year.

A SUMMARY OF THE COUNTY'S FISCAL YEAR 2020 AND 2021 OPERATING BUDGETS (AS ADOPTED) IS PRESENTED IN APPENDIX B OF THIS OFFICIAL STATEMENT.

### ***Discussion of Recent Financial Operations***

#### ***2016 Results***

The County's Comprehensive Annual Financial Report for the Fiscal Year ended December 31, 2016 reflected General Fund revenues and other sources of \$556,503,009 while the General Fund expenditures and other uses of the County amounted to \$548,882,586 resulting in a General Fund operating surplus of \$7,620,423. The County's cumulative surplus in the General Fund at the end of fiscal year 2016 was \$17,723,431. The General Fund had an unassigned fund balance of approximately negative \$4.0 million as of December 31, 2016.

#### ***2017 Results***

The County's Comprehensive Annual Financial Report for the Fiscal Year ended December 31, 2017 reflected General Fund revenues and other sources of \$546,870,147 while the General Fund expenditures and other uses of the County amounted to \$536,383,642 resulting in a General Fund operating surplus of \$10,486,505. The County's cumulative surplus in the General Fund at the end of fiscal year 2017 was \$32,803,374 due to a prior period

adjustment of \$4,593,441. The General Fund had an unassigned positive fund balance of approximately \$6.25 million as of December 31, 2017.

### ***2018 Results***

The County's Comprehensive Annual Financial Report for the Fiscal Year ended December 31, 2017 reflected General Fund revenues and other sources of \$559,499,906 while the General Fund expenditures and other uses of the County amounted to \$539,951,233 resulting in a General Fund operating surplus of \$19,548,673. The County's cumulative surplus in the General Fund at the end of fiscal year 2018 was \$52,352,050. The General Fund had an unassigned positive fund balance of approximately \$32.3 million as of December 31, 2018.

### ***2019 Results***

The County's Comprehensive Annual Financial Report for the Fiscal Year ended December 31, 2019 reflected General Fund revenues and other sources of \$576,011,608 while the General Fund expenditures and other uses of the County amounted to \$547,717,850 resulting in a General Fund operating surplus of \$28,293,758. The County's cumulative surplus in the General Fund at the end of fiscal year 2019 was \$80,645,808. The General Fund had an unassigned fund balance of approximately \$69.9 million as of December 31, 2019.

### ***2020 Results***

The County's Comprehensive Annual Financial Report for the Fiscal Year ended December 31, 2020 reflected General Fund revenues and other sources of \$557,787,050 while the General Fund expenditures and other uses of the County amounted to \$534,173,530 resulting in a General Fund operating surplus of \$23,613,520. The County's cumulative surplus in the General Fund at the end of fiscal year 2020 was \$104,259,328. The General Fund had an unassigned fund balance of approximately \$92.5 million as of December 31, 2020.

The County's CAFRs for the Fiscal Years 1987 to 2020 can be found on the County's website at <http://rocklandgov.com/departments/finance/>. References to websites and/or website addresses presented herein are for informational purposes only. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

### ***2021 Adopted Budget***

The County's 2021 Adopted Budget for the fiscal year ended December 31, 2021 is balanced and reflects General Fund revenues equal to General Fund expenditures and other uses of \$571,530,205. The County's 2021 Adopted Budget includes a property tax increase of less than 1% which is within the Tax Levy Limitation Law and is expected to generate an additional approximately \$1.2 million in 2021. (See "TAX LEVY LIMITATION LAW" herein.) The County Executive's 2021 Proposed Budget was subject to the review of OSC (see "Budget Process" herein). In a letter dated November 13, 2020, OSC informed the County that OSC had completed its review of the County Executive's 2021 Proposed Budget and OSC found that the significant revenue and expenditure projections contained in the 2021 Proposed Budget were reasonable. The 2021 Proposed Budget was subject to the amendments and approval of the County Legislature.

The 2021 Adopted Budget includes the following proposals:

- A less than 1% property tax increase, within the Tax Levy Limitation Law.
- The continued reorganization of County departments and operations.
- A net reduction of 2 County positions with no layoffs.
- No non-recurring revenues or sale of real property.

The COVID-19 pandemic has impacted the County's operations and finances. See "Effect of COVID-19" herein for a discussion of the current projections of the financial impact to the County.



## ***Deficit Financing Legislation***

On May 7, 2013, the County Legislature adopted a resolution requesting the State Legislature to enact special State legislation (State Assembly Bill A.6758 and Senate Bill S.4674), authorizing the County to issue up to \$96 million in deficit financing to fund the accumulated General Fund deficit through December 31, 2012. This legislation passed both the State Assembly and the State Senate and on November 13, 2013, was signed into law by the Governor as Chapter 468.

Upon the enactment of Chapter 468, the County is subject to certain requirements and procedures pursuant to Section 10.10 of the Local Finance Law (“Section 10.10”), which states that the County may not issue any bonds for the purpose of liquidating such deficits until the amounts of such deficits are confirmed and certified by the State Comptroller. On January 27, 2014, the Office of the State Comptroller certified the County’s accumulated deficit of \$125,607,865 as of December 31, 2012. On March 13, 2014, the County issued its \$96,000,000 General Obligation (Serial) Bonds, 2014 Series A pursuant to Chapter 468 (the “Deficit Financing Bonds”) with a final maturity of March 1, 2024.

The County must submit to the State Comptroller each year, starting with the 2013 fiscal year and for each subsequent fiscal year during which deficit financing obligations are outstanding, its tentative or preliminary budget for the succeeding fiscal year. The State Comptroller must examine the proposed budget and make recommendations for any changes that are needed to bring the proposed budget into balance. Such recommendations are made after the examination into the estimates of revenues and expenditures of the County. Pursuant to Chapter 468, the County Legislature, no later than five days prior to the adoption of the budget, shall review any such recommendations made by the State Comptroller and make adjustments to its proposed budget consistent with those recommendations.

For each fiscal year that the Deficit Financing Bonds are outstanding, the County must prepare a quarterly report of summarized budget data depicting trends of actual revenues and budget expenditures for the entire budget. Such budgetary reports must compare revenue estimates and appropriations as set forth in the budget with actual revenues and expenditures made to date. The report must also contain a corrective action plan to address any unfavorable budget variances. All reports must be completed within thirty (30) days after the end of each quarter and must be submitted at the end of each quarter to each member of the County Legislature, the Director of the New York State Division of Budget, the State Comptroller and the Chairs of the Senate Finance Committee and the Assembly Ways and Means Committee. On July 2, 2021, the County submitted its quarterly report for the second quarter of 2021. The County expects to submit its report for the third quarter of 2021 by October 31, 2021. Copies of the County’s quarterly reports are available upon request.

In addition, for each fiscal year that the Deficit Financing Bonds are outstanding, within thirty days after final adoption of the budget for the next succeeding fiscal year, the County Executive must prepare a three (3) year financial plan covering the next succeeding fiscal year and the two fiscal years thereafter. The financial plan must contain the information required by paragraph (e) of Section 10.10 and must be submitted to each member of the County Legislature, the Director of the New York State Division of Budget, the State Comptroller and the Chairs of the Senate Finance Committee and the Assembly Ways and Means Committee. Due to staffing challenges presented by the COVID-19 pandemic, the County’s three-year financial plan is in progress and will be submitted to the State upon its completion. A copy of the most recent three (3) year financial plan is available upon request.

Beginning with the fiscal year in which the County is authorized to incur debt to finance its deficits and for each fiscal year occurring during the time the Deficit Financing Bonds are outstanding, the County Commissioner of Finance must notify the State Comptroller at least fifteen (15) days prior to the issuance of any bonds or notes or entering into any installment purchase contract by the County. The County has complied with such procedure with respect to the issuance of the Bonds.

## ***Pension Systems***

### **County Employees**

The County participates in the New York State and Local Employees' Retirement System ("ERS"). This is a cost sharing, multiple public employers system. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). ERS 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 Tier 6 employees).

NYSRSSL provides that all participating employers are jointly and severally liable for any actuarial unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in ERS. ERS is noncontributory with respect to employees enrolling prior to July 27, 1976.

Members of the respective systems hired on or after July 27, 1976 through December 31, 2009, contribute 3% of their gross annual salary toward the cost of retirement programs until they attain ten years in the Retirement System, at such time contributions are no longer required.

On December 10, 2009, the Governor signed into law the creation of a Tier 5, which is effective for ERS and TRS employees hired from January 1, 2010 through March 31, 2012. ERS employees in Tier 5 will contribute 3% of their salaries and TRS employees in Tier 5 will contribute 3.5% of their salaries. There is no provision for these contributions to cease for Tier 5 employees after a certain period of service.

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 contributions throughout employment. Also, as of July 1, 2013, a new Voluntary Defined Contribution ("VDC") Plan option was made available to all unrepresented employees of public employers in the State hired on or after July 1, 2013, and who earn \$75,000 or more on an annual basis.

### **ERS Billing Procedures**

The County's current contribution to ERS is due on or before February 1 of each year. Such contribution is based on salaries estimated to be paid during the fiscal year ending on March 31 of the next calendar year.

The New York State Retirement System has advised the County that municipalities can elect to make employer contribution payments in the December or the following February, as required. If such payments are made in the December prior to the scheduled payment date in February, such payments may be made at a discount amount.

In 1990, the State Legislature enacted certain changes to NYSRSSL. Pursuant to Chapter 210 of the Laws of 1990, the actuarial funding method used to calculate ERS contributions was changed from the aggregate cost method to the modified projected unit credit method ("PUC"). The PUC funding method was utilized for normal contributions for the fiscal years ending March 31, 1991 through March 31, 1994. However, the State Court of Appeals, on November 16, 1993, upheld a lower court ruling that the change in funding methods violated provisions of the State Constitution. As a result of this decision, the aggregate cost method was restored for contributions due on December 15, 1994 and thereafter. The Court's ruling created an unfunded liability of approximately \$4.0 billion which will be paid by the State and its political subdivisions, school districts of the State and other participating members. The State Comptroller implemented a plan whereby this liability will be satisfied by a graduated schedule of higher contributions over a 5-year period. Employer contributions will be capped as a percentage of their ERS payroll. The cap in the first year (1994) was 0% of payroll; the cap in year two (1995) was 1.5%. Year three (1996) and year four (1997) caps were 3.0% and 4.5% respectively. Contributions in the fifth year (1998) and thereafter have been determined by the aggregate cost method without a cap.

In 2003, Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and the Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program for the ERS. The reform program established a minimum contribution for any local governmental employer equal to 4.5% of pensionable salaries for bills which were due December 15, 2003 and for all fiscal years thereafter, as a minimum annual contribution where the actual rate would otherwise be 4.5% or less due to the investment performance of the fund. In addition, the reform program instituted a billing system to match the budget cycle of municipalities that will advise such employers over one year in advance concerning actual pension contribution rates for the next annual billing cycle. Under the previous method, the requisite ERS contributions for a fiscal year could not be determined until after the local budget adoption process was complete. Under the new system, a contribution for a given fiscal year will be based on the valuation of the pension fund on the prior April 1 of the calendar year preceding the contribution due date instead of the following April 1 in the year of contribution so that the exact amount may now be included in a budget.

On July 30, 2004, the Governor signed into law Chapter 260 of the Laws of 2004 ("Chapter 260"). Chapter 260 contains three components which alter the way municipalities and Counties contribute to the State pension system: (1) revision of the payment due date, (2) extension of the period of time for pension debt amortization, and (3) authorization to establish a pension reserve fund. Prior to the date of the provisions of Chapter 260, the annual retirement bill sent to municipalities from the State has reflected pension payments due between April 1 and March 31, consistent with the state fiscal year. Chapter 260 provided for the following changes:

- **Contribution Payment Date Change:** The law changed the date on which local pension contributions are due to the state. Effective upon adoption, the annual required contribution is due February 1 annually instead of December 15.
- **Pension Cost Amortization-Extension of Payout Period:** The law also extended the ability of municipalities to amortize a portion of the current year pension cost over a period of 10 years, extending the term from five years as authorized under the 2003 Chapter 49 legislation. Municipalities can amortize, either directly through the state retirement system at a fixed interest rate annually determined by the State Comptroller or through the capital markets, pension payments in excess of 7% of eligible payroll in 2005, 9.5% in 2006, 10.5% in 2007 and 11% in 2008.
- **Pension Contributions Reserve Fund:** The law created special authorization to create a new category of reserve fund under the General Municipal Law. Municipalities may now establish a retirement contribution reserve fund that can be funded from other available current government resources.

The County accrued 75% of the pension liability in 2004 (consistent with salaries accrued during the three quarters starting April 1, the starting date of the retirement system billing period, and a December 31 local government fiscal year end) and deferred the remaining 25% to 2005.

Pursuant to the Employer Contribution Stabilization Program (Part TT of Chapter 57 of the Laws of 2010), the County has the option to amortize a portion of its ERS obligation over 10 years as allowed by New York State retirement. The County has not elected to amortize any portion of its pension obligation since 2016, however, the County has done so in some prior years and has the option to do so in the future.

The following table sets forth the County’s total bills, amounts amortized and amounts paid in recent years related to the County’s pension obligations for ERS, including the Community College:

| Fiscal<br>Year | Total Bill           | Amount<br>Amortized | Amount<br>Paid       |
|----------------|----------------------|---------------------|----------------------|
| 2012           | \$ 25,549,105        | \$ 8,086,739        | \$ 17,462,366        |
| 2013           | 39,291,229           | 14,094,366          | 25,196,863           |
| 2014           | 41,795,628           | 14,129,172          | 27,666,456           |
| 2015           | 40,030,369           | 9,862,461           | 30,167,908           |
| 2016           | 38,511,355           | 6,134,164           | 32,377,191           |
| 2017           | 32,296,060           | 0                   | 32,296,060           |
| 2018           | 30,039,635           | 0                   | 30,039,635           |
| 2019           | 29,196,944           | 0                   | 29,196,944           |
| 2020           | 28,965,100           | 0                   | 28,965,100           |
| 2021           | <u>29,719,781</u>    | <u>0</u>            | <u>29,719,781</u>    |
| Totals:        | <u>\$335,395,206</u> | <u>\$52,306,902</u> | <u>\$283,088,304</u> |

The investment of monies, and assumptions underlying same, of the Retirement Systems covering the County’s employees is not subject to the direction of the County. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the Retirement Systems (“UAALs”). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the County which could affect other budgetary matters. Concerned investors should contact the Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems.

It should also be noted that the County provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. There is now an accounting rule that will require governmental entities, such as the County, to account for post-retirement healthcare benefits as it accounts for vested pension benefits. GASB Statement No. 75 (“GASB 75”) of the Governmental Accounting Standards Board (“GASB”), described below, requires such accounting.

Accounting rule, GASB Statement No. 45 (“GASB 45”) of the Governmental Accounting Standards Board (“GASB”) has been replaced by GASB 75, which requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and other non-pension benefits (“OPEB”). GASB 75 generally requires that employers account for and report the annual cost of the OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as they currently do for pensions. Under previous rules, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements. Only current payments to existing retirees were recorded as an expense.

GASB 75 requires that state and local governments adopt the actuarial methodologies to determine annual OPEB costs. Annual OPEB cost for most employers will be based on actuarially determined amounts that, if paid on an ongoing basis, generally would provide sufficient resources to pay benefits as they come due.

Under GASB 75, based on actuarial valuation, an annual required contribution (“ARC”) will be determined for each state or local government. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. If a municipality contributes an amount less than the ARC, a net OPEB obligation will result, which is required to be recorded as a liability on its financial statements. There is no longer an amortized liability like under GASB 45, but now reflects the full liability.

GASB 75 does not require that the unfunded liabilities actually be funded, only that the County account for its unfunded accrued liability and compliance in meeting its ARC.

For the year ended December 31, 2020, the County recognized OPEB expense of \$61,385,366 for its Governmental Funds as follows:

|                     |                      |
|---------------------|----------------------|
| General Fund        | \$ 56,007,397        |
| County Road Fund    | 2,586,798            |
| Road Machinery Fund | 89,956               |
| Sewer Fund          | <u>2,701,215</u>     |
| Total:              | <u>\$ 61,385,366</u> |

For the fiscal year ended December 31, 2020, the County recognized OPEB expense of \$4,602,851 for its Internal Service Funds as follows:

|                           |                    |
|---------------------------|--------------------|
| General Services Fund     | \$4,527,197        |
| Workers Compensation Fund | <u>75,654</u>      |
| Total:                    | <u>\$4,602,851</u> |

The County is in compliance with the requirements of GASB 75 as was required by the end of the County's 2020 fiscal year. It has been determined that the County's total OPEB liability as of December 31, 2020 was approximately \$989,078,418 assuming a discount rate of 2.00%.

Legislation has been introduced from time to time in the State Legislature to authorize local governments and other public entities to establish trusts to accumulate and disburse funds through governing board appropriation for payment of OPEB liabilities. This legislation would authorize the establishment of a trust by resolution of the local government's governing board which would serve as the trustee (unless trustee authority is delegated to the local government's chief fiscal officer). Trust investments would be held by the State Comptroller as sole custodian for investment in accordance with a written investment policy developed by the trustee and a written agreement between the trust and the State Comptroller. Trust funds would not be subject to local government creditor claims, and local government officers would not be subject to liability for loss on investments in the trust. The legislation was not adopted in the last two legislative sessions. The County cannot predict at this time whether such proposed legislation will be reintroduced or enacted into law.

### ***Community College Employees***

The Community College provides retirement benefits for substantially all of its regular full-time employees. Non-teaching personnel are members of ERS, the same system which covers County employees. The elements of this system are described in the preceding section. All full-time and certain part-time instructional personnel are eligible to participate in either the State Teachers' Retirement System ("TRS") or the Teachers Insurance and Annuity Association and the College Retirement Equities Fund ("TIAA"/"CREF"). Both of these plans are cost sharing multiple public employer retirement plans.

The TRS 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 ten years of credit service, and TRS is non-contributory. The NYSRSSL provides that all participants in the TRS are jointly and severally liable for any actuarial unfunded amounts. Such amounts are collected through annual billings to all participating employers.

The TIAA/CREF is an optional retirement program designed by the trustees of the State University of New York that has been made available by the College to eligible employees. This system offers a wide range of plans and benefits which are related to years of service and amount of premiums paid during the period of employment.

All benefits are fully vested after thirteen months of participation in TIAA/CREF. State Education Law establishes the contribution rate for each employee electing this optional retirement program. TIAA/CREF is non-contributory. TIAA/CREF allows members to make extra payments at any time; these extra payments are not matched by the College. It is the policy of the College to fund pension costs as incurred.

### ***TRS Billing Procedures***

TRS contributions payable by the College for benefits earned are due September 15, October 15 and November 15 of the succeeding fiscal year.

## **REAL PROPERTY TAXES**

### ***Tax Collection and Enforcement Procedures***

Real property taxes are levied and attach as a lien against the property on January 1. County taxes are billed with town taxes and initially collected by the towns on behalf of the County. The County has offered (subject to town approval) quarterly installment payments. The payments are due on January 15, April 15, July 15, and October 15 of each year. The first payment is payable to the respective town receiver and the balance is payable to the Commissioner of Finance. A service charge of 5% on each installment payment is added to the amount of taxes which is estimated to reimburse the County for expenses incurred.

Real property taxes may be paid between January 1 and January 31 without interest or penalty. Payments received after January 31 must include interest computed at 1% per month from February 1. The towns retain the first moneys collected to satisfy the entire amount of their respective tax warrants. Moneys collected thereafter are remitted to the County. The tax rolls and a listing of the unpaid taxes are returned to the County in April. A 5% penalty is added to the unpaid tax which is thereafter collected by the County.

The County enforces delinquent real property taxes under the provisions of Article 11 of the Real Property Tax Law. Enforcement procedures set forth in Article 11 provide that the enforcing officer shall file a petition of foreclosure twenty-one months after the lien date. Such petition is required to be filed with the County Clerk within two business days after the execution of the petition. After the petition has been filed with the County Clerk, a notice of foreclosure must be published in at least two newspapers designated by the enforcing officer. The published notice shall include the date of the last day on which delinquent taxes may be redeemed. The redemption date must be at least three months after the notice is first published. If the delinquent taxes including all related charges are not paid on the date specified in the notice of foreclosure, the Court generally makes a final judgment awarding the property to the County. Such judgment will contain an order that a deed conveying title to the County shall be prepared, executed and duly recorded. No proceeding to set aside the deed may be maintained unless proceedings are commenced within two years from the date of recording the deed. Properties acquired by the County through tax enforcement procedures may be sold at a public auction.

The County is also responsible for collecting and enforcing delinquent school taxes. Such taxes are collected by the towns in the County between September 1 and October 31, after which the unpaid taxes are remitted to the County. A 5% penalty is added to the amount of the unpaid school taxes. The County collects unpaid school taxes commencing in the month of November. Any taxes remaining unpaid after this time are relieved (with a 7% penalty) as County taxes for the following year. The County must satisfy the full amount of the unpaid school taxes not later than April 1 of the year succeeding the levy thereof.

Pursuant to Article 14 of the Real Property Tax Law the County has tax enforcement agreements with various villages in the County to collect and enforce delinquent village taxes. A 5% penalty is added to the amount of the unpaid village taxes. The County collects unpaid village taxes commencing in the month of November. Any taxes remaining unpaid after this time are relieved (with a 7% penalty) as County taxes for the following year. The County must satisfy the full amount of the unpaid village taxes not later than April 1 of the year succeeding the levy thereof.

As a result of the COVID-19 pandemic, in certain counties in the State, during the first half of the 2021 fiscal year, the deadline to pay property taxes, without interest or penalty, was extended in certain circumstances. No assurance can be given that similar extensions with respect to the deadlines to pay property taxes, without interest or penalty, may occur during the balance of the 2021 fiscal year or during the 2022 fiscal year. Any such extensions may result in a delay in the receipt of taxes collected and paid to municipalities.

***Taxable Full Valuation - Five-Year Summary***

The table below sets forth for the last five years, a summary of assessed valuation and full valuation of taxable real property within the County:

| <u>Year</u> | <u>Taxable Full Valuation</u>  |  |
|-------------|--|--|
|             | Assessed Valuation of Taxable Real Property in the County <sup>(1)</sup> | Full Valuation of Taxable Real Property in the County <sup>(1)</sup> |
| 2017        | \$13,140,696,960   | \$38,269,791,931   |
| 2018        | 13,150,171,989   | 40,061,206,911   |
| 2019        | 13,159,276,113   | 42,648,891,818   |
| 2020        | 13,192,752,990   | 44,131,004,580   |
| 2021        | 13,212,921,570   | 45,205,969,886   |

(1) The full valuation of taxable real property is determined by totaling the full valuation of the component towns. See "Assessed and Taxable Full Valuation - Towns." These figures reflect the valuations of real estate used to apportion County taxes.

Source: County Department of Finance.

***State Equalization Rates***

The ratios below for each respective tax year are based on the prior year's assessed value.

| <u>Town</u> | <u>Equalization Rates</u> |             |             |             |             |
|-------------|---------------------------|-------------|-------------|-------------|-------------|
|             | <u>2017</u>               | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
| Clarkstown  | 33.25%                    | 33.00%      | 31.50%      | 30.00%      | 29.75%      |
| Haverstraw  | 103.19                    | 99.65       | 93.92       | 86.78       | 82.53       |
| Orangetown  | 50.05                     | 47.25       | 45.50       | 43.59       | 42.05       |
| Ramapo      | 13.57                     | 12.60       | 11.90       | 11.60       | 11.44       |
| Stony Point | 15.70                     | 15.34       | 15.29       | 14.02       | 13.71       |

Source: County Department of Finance.

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

## ***Assessed and Full Valuation by Towns***

There are five towns in the County within which are also included nineteen incorporated villages. Valuations of real estate used to apportion County taxes to the Towns for fiscal years 2016 through 2021 are shown below:

| <b><u>Assessed and Full Valuation</u></b> |                                   |                               |                            |                         |
|---|-----------------------------------|-------------------------------|----------------------------|-------------------------|
| <u>Town</u>                               | 2016<br>Assessed Valuation        | 2016<br>Full Valuation        | 2017<br>Assessed Valuation | 2017<br>Full Valuation  |
| Clarkstown                                | \$ 4,224,804,932                  | \$12,802,439,188              | \$ 4,259,948,158           | \$12,811,874,159        |
| Haverstraw                                | 2,937,152,925                     | 2,732,235,279                 | 2,925,415,008              | 2,834,979,172           |
| Orangetown                                | 4,028,639,894                     | 8,042,802,743                 | 3,903,679,798              | 7,799,560,036           |
| Ramapo                                    | 1,755,898,934                     | 12,092,967,865                | 1,755,922,569              | 12,939,738,902          |
| Stony Point                               | <u>291,988,977</u>                | <u>1,788,052,523</u>          | <u>295,731,427</u>         | <u>1,883,639,662</u>    |
| Totals                                    | <u>\$13,238,485,662</u>           | <u>\$37,458,497,599</u>       | <u>\$13,140,696,960</u>    | <u>\$38,269,791,931</u> |
| <u>Town</u>                               | 2018<br><u>Assessed Valuation</u> | 2018<br><u>Full Valuation</u> | 2019<br>Assessed Valuation | 2019<br>Full Valuation  |
| Clarkstown                                | \$4,264,565,945                   | \$12,922,927,106              | \$4,271,894,391            | \$13,561,569,495        |
| Haverstraw                                | 2,919,375,955                     | 2,929,629,659                 | 2,909,696,556              | 3,098,058,514           |
| Orangetown                                | 3,900,187,041                     | 8,254,264,108                 | 3,907,878,997              | 8,588,745,048           |
| Ramapo                                    | 1,753,698,213                     | 13,918,239,786                | 1,747,512,240              | 15,292,644,798          |
| Stony Point                               | <u>312,344,835</u>                | <u>2,036,146,252</u>          | <u>322,293,929</u>         | <u>2,107,873,963</u>    |
| Totals                                    | <u>\$13,150,171,989</u>           | <u>\$40,061,206,911</u>       | <u>\$13,159,276,113</u>    | <u>\$42,648,891,818</u> |
| <u>Town</u>                               | 2020<br>Assessed Valuation        | 2020<br>Full Valuation        | 2021<br>Assessed Valuation | 2021<br>Full Valuation  |
| Clarkstown                                | \$4,290,019,581                   | \$14,300,065,270              | \$4,302,215,781            | \$14,461,229,516        |
| Haverstraw                                | 2,897,005,824                     | 3,338,333,515                 | 2,875,857,316              | 3,484,620,521           |
| Orangetown                                | 3,919,544,570                     | 8,991,843,473                 | 3,931,217,051              | 9,348,910,942           |
| Ramapo                                    | 1,761,205,292                     | 15,182,804,241                | 1,773,932,357              | 15,506,401,722          |
| Stony Point                               | <u>324,977,723</u>                | <u>2,317,958,081</u>          | <u>329,699,065</u>         | <u>2,404,807,185</u>    |
| Totals                                    | <u>\$13,192,752,990</u>           | <u>\$44,131,004,580</u>       | <u>\$13,212,921,570</u>    | <u>\$45,205,969,886</u> |

Source: County Department of Finance.

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



***Constitutional Tax Limit***

The amount that may be raised by the County-wide tax levy on real property in any year for purposes other than for debt service on County indebtedness, is limited to one and one-half per centum (1 1/2%) of the five year average full valuation of taxable real property in the County. Such 1 1/2% limit may be increased to a maximum of 2% by the County Legislature. To date, the County Legislature has not taken action to increase the tax limit to 2%.

The following table sets forth such real property taxing limit of the County for the five years ending December 31, 2021:

|   | <b>Computation of Constitutional Tax Limit<br/>For the Years Ending December 31:</b> |                  |                  |                  |                  |
|---|--|------------------|------------------|------------------|------------------|
|   | 2017   | 2018             | 2019             | 2020             | 2021             |
| Five-Year Average Full Valuation <sup>(1)</sup> | \$35,985,418,611   | \$36,329,608,919 | \$36,905,217,179 | \$37,811,027,804 | \$39,441,643,344 |
| Tax Limit (1.5% of avg. full value)             | 539,781,279  | 544,944,134      | 553,578,258      | 567,165,417      | 591,624,650      |
| Add: Exclusions <sup>(2)</sup>                  | 60,677,460   | 56,314,000       | 57,055,180       | 54,559,745       | 54,350,980       |
| Total Taxing Power                              | 600,458,739  | 601,258,134      | 610,633,438      | 621,725,162      | 645,975,630      |
| Tax Levy <sup>(3)</sup>                         | 132,589,345  | 147,367,276      | 138,708,512      | 142,361,210      | 143,825,124      |
| Tax Margin                                      | 467,869,394  | 453,890,858      | 471,924,926      | 479,363,952      | 502,150,506      |
| Percent Unused Taxing Power                     | 77.92%   | 75.49%           | 77.28%           | 77.10%           | 77.74%           |

- (1) Five-year average full valuations for the County are from data submitted by the County to the Office of the State Comptroller: Office of Real Property Services.
- (2) Net exclusions for debt service.
- (3) Tax Levy for County purposes only.

Source: County Constitutional Tax Limit submitted to the Office of State Comptroller.

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

## ***Real Property Tax Levy, Rate and Collection History***

In common with other municipalities, the County derives a portion of its annual revenues for general fund purposes from real property taxes. The table below sets forth the trend for real property taxes, real property tax rates per \$1,000 assessed valuation, and tax collections for the years 2016 through 2020.

### **Real Property Tax Levies, Rates and Collections for the Years Ending December 31**

|                                     | <u>2016</u>            | <u>2017</u>            | <u>2018</u>            | <u>2019</u>            | <u>2020</u>            |
|-------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Tax Levy:                           |                        |                        |                        |                        |                        |
| County <sup>(1)</sup>               | \$ 155,690,390         | \$ 155,140,355         | \$ 155,843,435         | \$ 160,868,250         | \$ 164,790,240         |
| Town                                | 322,443,712            | 331,707,231            | 332,715,530            | 338,494,682            | 345,564,394            |
| School <sup>(2)</sup>               | 831,502,074            | 833,706,372            | 848,529,079            | 832,758,100            | 850,749,710            |
| Interest <sup>(3)</sup>             | <u>4,606,579</u>       | <u>4,741,626</u>       | <u>4,910,405</u>       | <u>5,111,087</u>       | <u>5,172,930</u>       |
| Total                               | <u>\$1,314,242,755</u> | <u>\$1,325,295,584</u> | <u>\$1,341,998,449</u> | <u>\$1,337,232,119</u> | <u>\$1,366,277,274</u> |
| AV Tax Rate <sup>(4)</sup>          |                        |                        |                        |                        |                        |
| Clarkstown                          | 10.10                  | 9.92                   | 9.73                   | 9.99                   | 10.47                  |
| Haverstraw                          | 3.27                   | 3.34                   | 3.40                   | 3.55                   | 3.81                   |
| Orangetown                          | 6.62                   | 6.65                   | 6.85                   | 6.98                   | 7.25                   |
| Ramapo                              | 23.57                  | 24.89                  | 26.09                  | 27.03                  | 27.62                  |
| Stony Point                         | 20.09                  | 20.67                  | 20.54                  | 20.25                  | 21.97                  |
| Current Collections                 | \$1,286,842,212        | \$1,295,441,851        | \$1,312,376,089        | \$1,306,857,082        | \$1,330,601,064        |
| Delq. Tax Collections               | <u>33,468,588</u>      | <u>41,440,759</u>      | <u>40,276,165</u>      | <u>37,990,930</u>      | <u>30,466,554</u>      |
| Total Tax Collections               | <u>\$1,320,310,800</u> | <u>\$1,336,882,610</u> | <u>\$1,352,652,254</u> | <u>\$1,344,848,012</u> | <u>\$1,361,067,618</u> |
| Pect. of Levy Collected             | 97.92%                 | 97.75%                 | 97.79%                 | 97.73%                 | 97.39%                 |
| Pect. of Total<br>Collected to Levy | 100.46%                | 100.87%                | 100.79%                | 100.57%                | 99.62%                 |
| Outstanding Delinquent<br>Taxes     | <u>\$46,199,816</u>    | <u>\$48,120,657</u>    | <u>\$44,806,289</u>    | <u>\$48,708,215</u>    | <u>\$48,818,560</u>    |

(1) Includes County Sewer District assessments.

(2) Tax levied for the fiscal year ending June 30.

(3) Due to a recent change in the State Real Property Tax Law, interest on taxes is recorded up to statement date for all delinquent taxes.

(4) County tax rate per \$1,000 of assessed valuation (general fund taxes) is based on the average rate within the five towns comprising the County.

Source: County Department of Finance

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

## Ten of the Largest Taxpayers

The following table presents the full valuation for taxable assessments of ten of the County's largest taxpayers on the County's 2020 tax rolls for the 2021 fiscal year.

| <b><u>Taxable Assessments</u></b>  |                         |                        |  |
|------------------------------------|-------------------------|------------------------|--|
| <u>Taxpayer</u>                    | <u>Type of Business</u> | <u>Full Valuation</u>  | <u>Percentage of Total Full Valuation</u> <sup>(1)</sup> |
| New York State Lands               | State Lands             | \$768,785,076          | 1.70%  |
| Orange & Rockland Utilities        | Public Utility          | 760,332,522            | 1.68   |
| United Water/Suez                  | Public Utility          | 481,648,226            | 1.07   |
| Pyramid/EKLECTRO Properties        | Retail Shopping         | 399,812,124            | 0.88   |
| Algonquin Gas                      | Public Utility          | 341,653,899            | 0.76   |
| American Cyanamid Corp (Pfizer)    | Pharmaceuticals         | 148,632,580            | 0.33   |
| Pearl River Campus                 | Industrial              | 124,221,165            | 0.27   |
| The Retail Property/Nanuet Shoppes | Retail Shopping         | 100,403,361            | 0.22   |
| 100 Avalon Gardens                 | Residential             | 86,806,723             | 0.19   |
| Glorious Sun Robert Martin, LLC    | Office Complex          | <u>80,422,116</u>      | <u>0.18</u>  |
|                                    |                         | <u>\$3,292,717,792</u> | <u>7.28%</u>   |

(1) Total taxable full value for the 2021 fiscal year is \$45,205,969,886.

Source: County Officials.

## **COUNTY INDEBTEDNESS**

### ***Constitutional Requirements***

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

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

The County may contract indebtedness only for a County 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 in one of the two fiscal years immediately succeeding the fiscal year in which such indebtedness was contracted, 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 or, in the alternative, the weighted average period of probable usefulness of the several purposes for which such indebtedness is to be contracted; and in no event may this period exceed forty years. No installment may be more than fifty per centum in excess of the smallest prior installment unless the County Legislature provides for substantially level or declining annual debt service payments in the manner prescribed by the Local Finance Law. The County is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and bond anticipation notes.

***General.*** The County is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such powers; however, as has been noted under "*Nature of Obligation*", the State Legislature is prohibited by a

specific constitutional provision from restricting the power of the County to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted.

### ***Statutory Procedure***

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

Pursuant to the Local Finance Law and the County Charter, the County authorizes the incurrence of indebtedness, including bonds and bond anticipation notes issued in anticipation of such bonds, by the adoption of a resolution, approved by at least a two-thirds vote of the County Legislature, by the finance board of the County.

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

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto.

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

In addition, under each bond resolution, the County Legislature may delegate, and has delegated, its power to issue and sell bonds and notes, including the Bonds, to the Commissioner of Finance, the chief fiscal officer of the County.

The County Legislature, as the finance board of the County, has the power, pursuant to the Local Finance Law, to adopt deficiency, tax and revenue anticipation note resolutions by majority vote. Such resolutions may authorize the issuance of deficiency, tax or revenue anticipation notes in an aggregate principal amount necessary to fund anticipated cash flow deficits, but, in no event, exceeding the amount of taxes or moneys estimated to be received by the County, less any tax or revenue anticipation note previously issued and less the amount of such taxes or revenues previously received by the County. The County Legislature has delegated certain of its powers in relation to the sale of tax and revenue anticipation notes to the County Commissioner of Finance, as the Chief Fiscal Officer of the County.

In general, the Local Finance Law contains similar provisions authorizing the County Legislature to delegate its power to issue general obligation deficiency notes and budget notes.

***Debt Limit.*** The County has the power to contract indebtedness for any County purpose so long as the principal amount thereof shall not exceed seven per centum of the most recent five-year average full valuation of taxable real estate of the County and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the ratio which such assessed valuation bears to the full valuation as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined.

There is no constitutional limitation on the amount that may be raised by the County by tax on real estate in any fiscal year to pay principal and interest on County indebtedness.

***Constitutional Debt Limit***

The following table sets forth the constitutional debt limit of the County.

**Constitutional Debt Limit** <sup>(1)</sup>

| <u>Fiscal</u><br><u>Year</u>                  | <u>Full</u><br><u>Valuation</u> |
|---|---------------------------------|
| 2017  | \$ 38,269,791,931               |
| 2018  | 40,061,206,911                  |
| 2019  | 42,648,891,818                  |
| 2020  | 44,131,004,580                  |
| 2021  | <u>45,205,969,886</u>           |
| <br>Total Five-Year Valuation                 | <br><u>\$ 210,316,865,126</u>   |
| <br>Average Five-Year Valuation               | <br><u>\$ 42,063,373,025</u>    |
| <br>Debt Limit – 7% of Average Full Valuation | <br><u>\$ 2,944,436,111</u>     |

(1) Full Valuations for Constitutional Debt Limit are determined by using final equalization rates from the New York State Office of Real Property Services.

Source: County Department of Finance.

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

**Statement of Debt Contracting Power**

**Statutory Debt Limit and Net Indebtedness**  
(As of August 24, 2021)

|   | <u>Amount</u>          | <u>Percentage<br/>of Debt Limit</u> |
|---|------------------------|-------------------------------------|
| Debt Contracting Limitation:                            |                        |                                     |
| Seven Per centum of Five<br>Year Average Full Valuation | \$2,944,436,111        | 100.00%                             |
| Gross Direct Debt:                                      |                        |                                     |
| Serial Bonds <sup>(1)</sup>                             | 490,110,242            | 16.64                               |
| Revenue Anticipation Notes                              | 0                      | 0.00                                |
| Tax Anticipation Notes                                  | 20,000,000             | 0.68                                |
| Bond Anticipation Notes                                 | <u>0</u>               | <u>0.00</u>                         |
| Total Gross Direct Debt                                 | <u>\$ 510,110,242</u>  | <u>17.32</u>                        |
| Exclusions and Deductions:                              |                        |                                     |
| Current Budget Appropriations to<br>Pay Non-Exempt Debt | 12,822,430             | 0.43                                |
| Revenue Anticipation Notes                              | 0                      | 0.00                                |
| Tax Anticipation Notes                                  | <u>20,000,000</u>      | <u>0.68</u>                         |
| Total Exclusions and Deductions <sup>(2)</sup>          | <u>32,822,430</u>      | <u>1.11</u>                         |
| Total Net Direct Debt                                   | <u>477,287,812</u>     | <u>16.21</u>                        |
| Debt - Contracting Margin <sup>(3)</sup>                | <u>\$2,467,148,299</u> | <u>83.79%</u>                       |

- (1) Serial bonds excludes refunded bonds which are being paid from escrow accounts under the control of independent trustee banks.
- (2) The County has \$190,983,864 outstanding debt issued to fund various sewer improvements. This debt is excludable pursuant to the provisions of Section 124.10 of the Local Finance Law but the County has not sought an exclusion for such debt in recent years.
- (3) As of August 24, 2021, the County has authorized but unissued debt of \$115,849,242, of which \$35,067,876 is for sewer purposes. Note that the County has additional authorized but unissued debt related to capital projects internally closed by the County in prior years; however, the County has no intention of borrowing to fund these additional authorized amounts associated with the closed projects.

Source: County Department of Finance and New York State Comptroller's Office: Bureau of Municipal Research.

***Trend of Outstanding Indebtedness***

The following table provides information relating to the indebtedness outstanding at year end for the County's last five fiscal years.

|                         | <b><u>Outstanding Indebtedness</u></b> |                      |                      |                      |                      |
|-------------------------|--|----------------------|----------------------|----------------------|----------------------|
|                         | <u>2016</u>                            | <u>2017</u>          | <u>2018</u>          | <u>2019</u>          | <u>2020</u>          |
| Serial Bonds            | \$542,707,879                          | \$495,912,879        | \$508,098,000        | \$506,779,000        | \$482,284,257        |
| Bond Anticipation Notes | <u>0</u>                               | <u>0</u>             | <u>0</u>             | <u>0</u>             | <u>0</u>             |
| Total                   | <u>\$542,707,879</u>                   | <u>\$495,912,879</u> | <u>\$508,098,000</u> | <u>\$506,779,000</u> | <u>\$482,284,257</u> |

(1) Unaudited.

Source: Audited Financial Statements of the County and the County Department of Finance. The table itself is not audited.

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

**Capital Purposes.** Pursuant to the Local Finance Law, the County is authorized to issue short-term indebtedness, in the form of notes, to finance capital purposes. Bond anticipation notes may be sold to provide moneys for capital projects once a bond resolution has been adopted. Generally, bond anticipation notes are issued in anticipation of the sale of bonds at some future date and may be renewed from time-to-time, but, in general, may not be renewed beyond the fifth anniversary of their original issuance. However, bond anticipation notes issued in anticipation of the sale of bonds for assessable improvements are not subject to such five-year limit and may be renewed subject to annual principal reduction for the entire period of probable usefulness for which such bonds were originally issued. Bond anticipation notes may not be renewed after the second year unless there is a principal payment on such notes from a source other than the proceeds of the notes. Bond anticipation notes may not be renewed after the sale of bonds in anticipation of which the notes were originally issued.

The County does not have any outstanding bond anticipation notes.

## ***Indebtedness for Operating Purposes***

For operating purposes, the County is authorized by law to issue tax anticipation notes and revenue anticipation notes to provide cash to pay operating expenditures. Borrowings for this purpose are restricted by formulas contained in the Local Finance Law. Such notes may be renewed from time to time but generally not beyond three years, in the case of revenue anticipation notes, and five years for tax anticipation notes. Budget notes may be issued to finance current operating expenditures for which there is no appropriation or the amount so appropriated is not sufficient. Deficiency notes may be issued to cover revenue shortfalls. Generally, the amount of budget notes, as well as the amount of deficiency notes, issued may not exceed 5% of the budget and must be redeemed in the next fiscal year.

The following table presents a 5-year history of the County’s tax and revenue anticipation note issues:

### **Tax and Revenue Anticipation Notes**

| <u>Year Ended<br/>December 31:</u> | <u>Outstanding<br/>Beginning<br/>Year</u> | <u>RANs Issued<br/>During Year</u> | <u>TANs Issued<br/>During Year</u> | <u>RANs Paid<br/>During Year</u> | <u>TANs Paid<br/>During Year</u> | <u>Outstanding<br/>End of Year</u> |
|------------------------------------|---|------------------------------------|------------------------------------|----------------------------------|----------------------------------|------------------------------------|
| 2017                               | \$60,000,000                              | 0                                  | \$60,000,000                       | 0                                | \$60,000,000                     | \$60,000,000                       |
| 2018                               | 60,000,000                                | 0                                  | 60,000,000                         | 0                                | 60,000,000                       | 60,000,000                         |
| 2019                               | 60,000,000                                | 0                                  | 55,000,000                         | 0                                | 60,000,000                       | 55,000,000                         |
| 2020                               | 55,000,000                                | 0                                  | 55,000,000                         | 0                                | 55,000,000                       | 55,000,000                         |
| 2021                               | 55,000,000                                | 0                                  | 20,000,000                         | 0                                | 55,000,000                       | N/A                                |

Source: Audited Financial Statements of the County and the County Department of Finance. The table itself is not audited.

## ***Capital Project Financing***

The County last issued bonds in July 2021 when it sold \$43,130,000 Various Purposes (Serial) Bonds, 2021 Series A and \$15,200,000 Refunding (Serial) Bonds, 2021 Series B. The County last issued notes in July 2021 when it sold \$20,000,000 Tax Anticipation Notes, 2021. As of August 24, 2021, the County had \$115,849,242 of authorized but unissued debt, of which \$35,067,876 is for sewer purposes only.

The County has additional authorized but unissued debt related to capital projects internally closed by the County in prior years, however, the County has no intention of borrowing to fund these additional authorized amounts for these closed projects. In accordance with the provisions of the Local Finance Law, these authorizations will lapse on a date ten years following their respective dates of authorization. (See also “Capital Budgeting” herein.)

***Direct and Overlapping Indebtedness***

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

**Statement of Direct and Overlapping Indebtedness**

| <u>Taxing Entity</u>                 | <u>Net Underlying Debt</u>    |
|--------------------------------------|-------------------------------|
| Towns: <sup>(1)</sup>                |                               |
| Clarkstown                           | \$ 110,649,045                |
| Haverstraw                           | 27,282,516                    |
| Orangetown                           | 64,432,070                    |
| Ramapo                               | 87,450,000                    |
| Stony Point                          | 15,951,697                    |
| Villages (19): <sup>(2)</sup>        | 50,140,803                    |
| School Districts (8): <sup>(3)</sup> | 407,797,144                   |
| Fire Districts (17): <sup>(4)</sup>  | <u>46,245,000</u>             |
| Total Overlapping Debt               | <u>\$ 809,948,275</u>         |
| Net Direct Debt                      | <u>477,287,812</u>            |
| Net Direct and Overlapping Debt      | <u><u>\$1,287,236,087</u></u> |

- (1) As of 12/31/19
- (2) As of 05/31/20
- (3) As of 06/30/20
- (4) As of 12/31/19

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



## ***Debt Service Schedule***

The following table sets forth all principal and interest payments required on the County's outstanding bonded indebtedness, exclusive of the Bonds, refunded bonds and debt issued through the New York State Environmental Facilities Corporation.

### **Bond Principal and Interest Maturity**

| <u>FY Ending</u><br><u>December 31:</u> | <u>Principal</u>            | <u>Interest</u>            | <u>Total</u><br><u>Debt Service</u> | <u>Principal</u><br><u>Retired</u> |
|---|-----------------------------|----------------------------|-------------------------------------|------------------------------------|
| 2021 <sup>(1)</sup>                     | \$ 39,505,000               | \$ 12,491,244              | \$ 51,996,244                       | 10.48%                             |
| 2022                                    | 41,260,000                  | 12,368,191                 | 53,628,191                          | 21.42%                             |
| 2023                                    | 42,320,000                  | 10,620,612                 | 52,940,612                          | 32.64%                             |
| 2024                                    | 36,610,000                  | 8,883,223                  | 45,493,223                          | 42.35%                             |
| 2025                                    | 24,825,000                  | 7,519,925                  | 32,344,925                          | 48.94%                             |
| 2026                                    | 25,930,000                  | 6,442,121                  | 32,372,121                          | 55.81%                             |
| 2027                                    | 25,150,000                  | 5,393,057                  | 30,543,057                          | 62.48%                             |
| 2028                                    | 17,845,000                  | 4,436,792                  | 22,281,792                          | 67.22%                             |
| 2029                                    | 16,820,000                  | 3,791,127                  | 20,611,127                          | 71.68%                             |
| 2030                                    | 17,490,000                  | 3,172,695                  | 20,662,695                          | 76.31%                             |
| 2031                                    | 15,825,000                  | 2,583,700                  | 18,408,700                          | 80.51%                             |
| 2032                                    | 13,280,000                  | 2,043,007                  | 15,323,007                          | 84.03%                             |
| 2033                                    | 8,150,000                   | 1,717,937                  | 9,867,937                           | 86.19%                             |
| 2034                                    | 8,405,000                   | 1,462,988                  | 9,867,988                           | 88.42%                             |
| 2035                                    | 8,650,000                   | 1,226,531                  | 9,876,531                           | 90.72%                             |
| 2036                                    | 4,225,000                   | 1,046,506                  | 5,271,506                           | 91.84%                             |
| 2037                                    | 4,340,000                   | 938,200                    | 5,278,200                           | 92.99%                             |
| 2038                                    | 4,450,000                   | 825,397                    | 5,275,397                           | 94.17%                             |
| 2039                                    | 4,570,000                   | 708,881                    | 5,278,881                           | 95.38%                             |
| 2040                                    | 1,845,000                   | 588,469                    | 2,433,469                           | 95.87%                             |
| 2041                                    | 1,920,000                   | 520,981                    | 2,440,981                           | 96.38%                             |
| 2042                                    | 1,990,000                   | 450,200                    | 2,440,200                           | 96.91%                             |
| 2043                                    | 2,070,000                   | 375,525                    | 2,445,525                           | 97.46%                             |
| 2044                                    | 2,145,000                   | 296,131                    | 2,441,131                           | 98.03%                             |
| 2045                                    | 1,540,000                   | 228,056                    | 1,768,056                           | 98.43%                             |
| 2046                                    | 1,585,000                   | 172,956                    | 1,757,956                           | 98.85%                             |
| 2047                                    | 1,645,000                   | 115,981                    | 1,760,981                           | 99.29%                             |
| 2048                                    | 1,700,000                   | 56,856                     | 1,756,856                           | 99.74%                             |
| 2049                                    | 655,000                     | 17,594                     | 672,594                             | 99.92%                             |
| 2050                                    | 160,000                     | 6,800                      | 166,800                             | 99.96%                             |
| 2051                                    | <u>160,000</u>              | <u>3,400</u>               | <u>163,400</u>                      | 100.00%                            |
| <b>Totals</b>                           | <b><u>\$377,065,000</u></b> | <b><u>\$90,505,089</u></b> | <b><u>\$467,570,089</u></b>         |                                    |

(1) For the entire fiscal year.

Source: County Department of Finance.

## ***Debt Ratios***

The following table presents certain debt ratios relating to the County's capital indebtedness.

|                                      | <b><u>Debt Ratios</u></b> |                                       |  |  |
|--------------------------------------|---------------------------|---------------------------------------|--|--|
|                                      | <u>Amount</u>             | <u>Debt per Capita</u> <sup>(2)</sup> | <u>Debt to Full Value</u> <sup>(3)</sup> | <u>Per Capita Debt to Per Capita Income</u> <sup>(4)</sup> |
| Net Direct Debt <sup>(1)</sup>       | \$ 477,287,812            | \$1,410.72                            | 0.96%                                    | 2.23%  |
| Net Direct Debt and Overlapping Debt | 1,287,236,087             | 3,804.69                              | 2.76                                     | 6.02   |

(1) Gross and Net Direct Debt is exclusive of refunded bonds.

(2) The 2019 population of the County is 338,329.

(3) The County's full value of taxable real property for the 2021 fiscal year is \$45,205,969,886.

(4) Per capita income of County residents in 2019 was \$63,167.

## ***Capital Budgeting***

Pursuant to the County Charter, the Commissioner of Planning is required to develop a capital program for the County. The County Charter further provides for a capital projects committee to consider the necessity, priority, feasibility, location, cost and method of financing of all proposed capital projects. Such committee is responsible for preparing a capital plan for the ensuing fiscal year and a proposed capital program for the next six fiscal years. The capital projects committee consists of the County Executive as Chairman; the Chairman of the Legislature, the Superintendent of Highways, the Commissioner of Planning and such other persons as the County Executive may direct to serve on such committee. The County's adopted capital program for the six-year period ending December 31, 2026 anticipates total expenditures of approximately \$457.4 million, which will be funded from operating, grant, Metropolitan Transportation Authority, Federal and State funds as well as the proceeds of debt issuance. A copy of the County's 2021 adopted capital program is available upon request.

### **Capital Budgeting**

|                                      | 2021-2026<br>Anticipated<br><u>Expenditures</u> |
|--------------------------------------|---|
| County Center                        | \$ 73,543,918                                   |
| Fire Training Center                 | 6,974,349                                       |
| Public Transportation                | 28,611,658                                      |
| Environmental Resources              | 31,240,961                                      |
| Health Complex                       | 60,704,739                                      |
| Highway Department                   | 111,723,638                                     |
| Planning Department                  | 5,688,594                                       |
| Rockland County Sewer District No. 1 | 83,607,835                                      |
| Drainage                             | 41,163,439                                      |
| Rockland County Community College    | <u>14,166,223</u>                               |
| Total Expenditures:                  | <u>\$457,422,354</u>                            |

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

## ECONOMIC AND DEMOGRAPHIC DATA

### *Population*

The following tables present population trends for the County, State, Towns, and United States based upon recent census data.

|               | <u>Population Trend</u> |             |             | % Change       |                |
|---------------|-------------------------|-------------|-------------|----------------|----------------|
|               | <u>2000</u>             | <u>2010</u> | <u>2020</u> | <u>2000-10</u> | <u>2010-20</u> |
| County        | 286,753                 | 311,687     | 338,329     | 8.7%           | 8.5%           |
| State         | 18,976,457              | 19,378,102  | 20,201,249  | 2.1            | 4.2            |
| United States | 281,426,906             | 308,745,538 | 331,449,281 | 9.7            | 7.4            |

Source: U.S. Census Bureau, 2000, 2010 and 2020 Census.

| <u>Town</u>  | <u>Population by Town</u> |                |                |                |                |
|--------------|---------------------------|----------------|----------------|----------------|----------------|
|              | <u>1980</u>               | <u>1990</u>    | <u>2000</u>    | <u>2010</u>    | <u>2019</u>    |
| Clarkstown   | 77,091                    | 79,346         | 82,082         | 84,187         | 86,237         |
| Haverstraw   | 31,929                    | 32,712         | 33,811         | 36,634         | 37,000         |
| Orangetown   | 48,612                    | 46,742         | 47,711         | 49,212         | 49,833         |
| Ramapo       | 89,060                    | 93,861         | 108,905        | 126,595        | 137,406        |
| Stony Point  | <u>12,838</u>             | <u>12,814</u>  | <u>14,244</u>  | <u>15,059</u>  | <u>15,313</u>  |
| Total County | <u>259,530</u>            | <u>265,475</u> | <u>286,753</u> | <u>311,687</u> | <u>325,789</u> |

Source: U.S. Census Bureau, 1980 – 2010 Census, 2019 Population Estimates.

### *Income*

The following table presents per capita personal income for the County, State and United States.

|               | <u>Per Capita Personal Income</u> |             |             | % Change         |                  |
|---------------|-----------------------------------|-------------|-------------|------------------|------------------|
|               | <u>2000</u>                       | <u>2010</u> | <u>2019</u> | <u>2000-2010</u> | <u>2010-2019</u> |
| County        | \$41,905                          | \$52,488    | \$63,167    | 25.3%            | 20.3%            |
| State         | 35,307                            | 49,582      | 71,717      | 40.4             | 44.6             |
| United States | 30,587                            | 40,144      | 56,490      | 31.2             | 40.7             |

Source: Bureau of Economic Analysis.

|               | <u>Median Household Income</u> |             |             | % Change         |                  |
|---------------|--------------------------------|-------------|-------------|------------------|------------------|
|               | <u>2000</u>                    | <u>2010</u> | <u>2019</u> | <u>2000-2010</u> | <u>2010-2019</u> |
| County        | \$67,971                       | \$84,027    | \$100,916   | 23.6%            | 20.1%            |
| State         | 43,393                         | 54,148      | 72,108      | 24.8             | 33.2             |
| United States | 41,994                         | 50,046      | 65,712      | 19.2             | 31.3             |

Source: U.S. Census Bureau, 2000 & 2010 Census, 2019 American Community Survey.

## EMPLOYMENT AND UNEMPLOYMENT

The following tables provide information concerning employment in the County, State and United States.

### Large Commercial and Industrial Employers in the County

| <u>Name</u>                              | <u>Industry or Business</u> | <u>Number<br/>of Employees</u> |
|--|-----------------------------|--------------------------------|
| 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                    | 891                            |
| Verizon Wireless                         | Communications              | 850                            |
| Northern Services Group                  | Nursing Home                | 832                            |
| St. Dominic's Home                       | Nursing Home                | 820                            |
| Orange & Rockland Utilities              | Public Utility              | 817                            |
| AT&T Healthcare                          | Health Care                 | 800                            |
| Pfizer, Inc                              | Pharmaceuticals             | 800                            |
| Nice-Pak / PDI                           | Paper Manufacturing         | 768                            |
| ARC of Rockland                          | Health Care                 | 715                            |
| Camp Venture, Inc.                       | Health Services             | 680                            |
| Aide Services, Inc.                      | Health Services             | 600                            |
| Par Pharmaceutical, Inc.                 | Pharmaceuticals             | 591                            |
| Community Home Health & Aide Svc, Inc.   | Health Services             | 560                            |
| Lamont-Doherty Earth Observatory         | Earth Sciences Research     | 560                            |
| Chestnut Ridge Transportation, Inc.      | Transportation              | 531                            |
| Hudson Valley Dev. Disabilities Services | Health Services             | 523                            |
| Intercos America, Inc.                   | Cosmetic Manufacturing      | 425                            |
| Raymour & Flanigan                       | Commercial                  | 415                            |
| Aluf Plastics, A Division of API         | Commercial                  | 401                            |
| Rockland Bakery Inc.                     | Commercial                  | 400                            |

Source: Rockland County 2019 CAFR and County Officials.

The following table presents civilian labor force for the County, State and United States.

|               | <u>Civilian Labor Force</u> |             |             |             |             |
|---------------|-----------------------------|-------------|-------------|-------------|-------------|
|               | <u>2016</u>                 | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
| County        | 152,600                     | 153,400     | 154,200     | 155,400     | 152,900     |
| State         | 9,527,000                   | 9,549,100   | 9,511,200   | 9,507,100   | 9,289,200   |
| United States | 159,187,000                 | 160,320,000 | 162,075,000 | 163,539,000 | 160,742,000 |

Source: New York State Department of Labor, Bureau of Labor Statistics. United States data is seasonally adjusted.

The following table presents unemployment rates for the County, State and United States for the last five years.

**Yearly Average Unemployment Rates**

| <u>Year</u> | <u>County</u> | <u>State</u> | <u>United States</u> |
|-------------|---------------|--------------|----------------------|
| 2016        | 4.3%          | 4.9%         | 4.9%                 |
| 2017        | 4.3           | 4.6          | 4.4                  |
| 2018        | 3.7           | 4.1          | 3.9                  |
| 2019        | 3.4           | 3.8          | 3.6                  |
| 2020        | 8.1           | 10.0         | 8.3                  |

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

The following table presents monthly unemployment rates for the County, State and United States.

**Monthly Average Unemployment Rates**

| <u>Month</u> | <u>County</u> | <u>State</u> | <u>United States</u> |
|--------------|---------------|--------------|----------------------|
| July 2020    | 12.6%         | 14.8%        | 10.5%                |
| August       | 9.6           | 11.6         | 8.5                  |
| September    | 6.6           | 9.9          | 7.7                  |
| October      | 5.9           | 8.3          | 6.6                  |
| November     | 5.8           | 8.3          | 6.4                  |
| December     | 5.7           | 8.5          | 6.5                  |
| January 2021 | 6.1           | 9.4          | 6.8                  |
| February     | 6.4           | 9.7          | 6.6                  |
| March        | 5.6           | 8.4          | 6.2                  |
| April        | 4.9           | 7.7          | 5.7                  |
| May          | 4.4           | 7.0          | 5.5                  |
| June         | 4.8           | 7.3          | 6.1                  |

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

**Building Permits**

New Residential

| <u>Year<sup>(1)</sup></u> | <u>Permits</u> | <u>Value</u>  |
|---------------------------|----------------|---------------|
| 2011                      | 136            | \$ 39,854,614 |
| 2012                      | 110            | 40,336,503    |
| 2013                      | 176            | 56,989,225    |
| 2014                      | 179            | 71,481,454    |
| 2015                      | 222            | 81,972,203    |
| 2016                      | 167            | 56,965,711    |
| 2017                      | 185            | 103,434,004   |
| 2018                      | 174            | 81,753,404    |
| 2019                      | 173            | 71,177,581    |
| 2020                      | 135            | 65,864,134    |
| 2021 <sup>(2)</sup>       | 54             | 23,150,542    |

(1) Since 1995, the County has not kept records on building permits for new, non-residential construction.

(2) Through April 2021.

Source: U.S. Census Bureau, Construction Division and County Officials.

## ***Financial Institutions***

Twelve commercial banks are located within the County as follows: JP Morgan Chase Bank, Citibank, M&T Bank, Wells Fargo Bank, Key Bank, HSBC, Capital One Bank, Sterling Bank, TD Bank, Greater Hudson Bank, Citizens Bank of North America, Trustco Bank, NEA Federal Credit Union, Palisades Federal Credit Union, Rockland Employees Federal Credit Union and Emigrant Savings Bank.

## ***Communications***

The County is served by the New York City newspapers, radio and television stations. In addition, the County has various local newspapers including *The Rockland Journal News*, *The Rockland County Times*, *Courier and Haverstraw Times* and two local radio stations: WRKL-AM and WLIR-AM. Cablevision, a private company, provides cable television service for residents of the County.

## ***Utilities***

Mirant generates and Orange and Rockland Utilities, Inc. (“O&R”) distributes and sells electricity and natural gas throughout the County. O&R is wholly owned by Consolidated Edison. The principal generating plants are the wholly owned Lovett facility in Tompkins Cove and the Bowline facility in Haverstraw. Both plants utilize fossil fuel.

There are three separate suppliers of water in the County, with United Water Company of New York being the largest. Most of the water supplied by the United Water Company comes from underground supplies or from the principal reservoir at Lake De Forest. The other two suppliers are municipal water suppliers in the villages of Nyack and Suffern. The three suppliers provide water to approximately 270,000 residents. The County is not involved in the supply and distribution of water.

## ***Transportation***

The County is served by a network consisting of all the major forms of transportation. Several primary State and U.S. Highways including the State Thruway, Palisades Interstate Parkway, Garden State Parkway and U.S. Routes 9W and 17 run through the County. The Metro-North Commuter Railroad division of the New York Metropolitan Transportation Authority, in cooperation with New Jersey Transit, provides rail service to Manhattan, either directly or via PATH rapid transit. Freight service is provided by Conrail. Bus passenger service is provided to New York City and other points in and outside the County by Red and Tan Lines, Transport of Rockland, Shortline and Adirondack Trailways. Air transportation is provided by the three New York Metropolitan Airports (Kennedy, LaGuardia and Newark), Westchester County Airport and Stewart International Airport in Newburgh, New York.

## ***Education***

Primary education is the responsibility of the eight independent public school districts located within the County. There are numerous colleges, universities and vocational schools located throughout the County as well. Rockland Community College offers two-year associate degree and one-year certificate programs. Dominican College and St. Thomas Aquinas College are four-year independent liberal arts colleges. Empire State College/SUNY, Iona College - Rockland Campus and Long Island University - Rockland Campus, all offer graduate programs.

## ***Recreation and Cultural Facilities***

The County has a wide array of recreational and cultural facilities highlighted by the Palisades Interstate Park System, the County Park System and the Community College. Over one-third of the Palisades Interstate Park System’s 80,000 acres lie within the County and the parklands account for approximately 30% of the County’s area. The Bear Mountain-Harriman State Park on the Hudson River, in the County’s northeast corner, has 26,118 of its 51,026 acres in the County: facilities include fishing, hiking, camping, swimming, picnicking, museum, playfield, winter sports and row-boating. In addition, there is the Rockland Lake State Park (771 acres), Tallman Mountain State Park (634 acres), Hook Mountain State Park (661 acres, undeveloped), Blauvelt State Park (536 acres, undeveloped), High Tor State Park (491 acres), Stony Point Battlefield Reservation (45 acres), Eleanor Burlingham Memorial Park (37 acres) and Nyack Beach State Park (61 acres), all exclusively within the County. The Palisades

Interstate Park Commission is a bi-state agency. The County has thirteen parks (Clausland Mountain, Kakiat, Mt. Ivy, Kennedy Dells, Dutch Gardens, South Mountain, Buttermilk Falls, Monsey Glen, Dater Mountain, Gurnee Park and Amphitheater, Schwartz Memorial Park and Mountain View Nature Park) comprising an aggregate area of approximately 2,000 acres. All of the parks have natural scenic areas, some affording panoramic views of the County. Hiking, picnicking, soccer fields, nature walks, and horseback riding are the activities offered. Several of the County's constituent municipalities maintain park systems as well. There are also over 20 private commercial swimming pools and lakes, and eight golf courses, five of which are open to the public. All of the towns and many of the villages have separate park facilities. In addition, there are numerous libraries, museums, marinas and clubs in the County.

### ***Medical Facilities***

Hospital services are provided by Bon Secours Good Samaritan Hospital, Helen Hayes Hospital and Nyack Hospital which offer residents of the County a wide range of inpatient and outpatient services. In addition, the County administers a variety of programs to help those in need of health services including patient services, ambulatory clinic services, home health services, health education, environmental health and social work. The County previously operated the Hospital Facility which provided nursing for long-term care patients, services for chronic respiratory diseases and alcoholism treatment. The County closed the Hospital Facility at the end of its 2015 fiscal year. (See "THE COUNTY – Hospital Facility" and "Closure of Hospital Facility" herein.)

***END OF APPENDIX A***

**(THIS PAGE WAS INTENTIONALLY LEFT BLANK)**



**APPENDIX B**

**SUMMARY FINANCIAL STATEMENTS**

**(THIS PAGE WAS INTENTIONALLY LEFT BLANK)**

**COUNTY OF ROCKLAND  
GENERAL FUND  
SUMMARY OF BUDGETED REVENUES AND EXPENDITURES**

|   | <b>Adopted Budget<br/>2020</b> | <b>Adopted Budget<br/>2021</b> |
|---|--------------------------------|--------------------------------|
| ESTIMATED REVENUES:   |                                |                                |
| Real Property Taxes   | \$ 129,525,000                 | \$ 130,770,100                 |
| Non-Property Tax Items                                      | 230,400,000                    | 225,162,500                    |
| Departmental Income   | 90,758,475                     | 94,646,505                     |
| State Aid   | 80,112,365                     | 78,897,250                     |
| Federal Aid   | <u>50,629,465</u>              | <u>42,053,850</u>              |
| <b>TOTAL ESTIMATED REVENUES</b>                             | <u>\$ 581,425,305</u>          | <u>\$ 571,530,205</u>          |
| APPROPRIATIONS:   |                                |                                |
| General Government  | \$ 84,709,480                  | \$ 82,126,200                  |
| Education   | 61,553,915                     | 59,817,275                     |
| Public Safety   | 88,833,280                     | 89,887,195                     |
| Health Services   | 51,405,920                     | 50,277,805                     |
| Transportation  | 28,232,840                     | 28,549,280                     |
| Economic Assistance<br>and Opportunity                      | 173,196,425                    | 167,939,570                    |
| Culture and Recreation                                      | 234,220                        | 241,910                        |
| Home and Community Services                                 | 6,347,585                      | 6,328,810                      |
| Undistributed   | <u>73,751,640</u>              | <u>73,886,100</u>              |
| <b>TOTAL APPROPRIATIONS</b>                                 | <u>\$ 568,265,305</u>          | <u>\$ 559,054,145</u>          |
| Excess (Deficiency) Revenues<br>Over Expenditures           | <u>\$ 13,160,000</u>           | <u>\$ 12,476,060</u>           |
| Other Financing Sources (Uses):                             |                                |                                |
| Appropriated Fund Surplus                                   | \$ 0                           | \$ 0                           |
| Appropriated Tobacco Reserve                                | 0                              | 0                              |
| Bonds issued  | 0                              | 0                              |
| Operating Transfer In                                       | 0                              | 0                              |
| Operating Transfer Out                                      | <u>( 13,160,000)</u>           | <u>( 12,476,060)</u>           |
| <b>Total Other Financing<br/>Sources (Uses)</b>             | <u>(\$ 13,160,000)</u>         | <u>(\$ 12,476,060)</u>         |
| <b>Total Appropriations<br/>and Other Financing Sources</b> | <u>\$ 581,425,305</u>          | <u>\$ 571,530,205</u>          |

Source: Adopted and Proposed Budgets of the County.

**COUNTY OF ROCKLAND  
ALL OTHER FUNDS  
SUMMARY OF BUDGETED REVENUES AND EXPENDITURES**

|   | <u>Adopted Budget<br/>2020</u>      | <u>Adopted Budget<br/>2021</u>      |
|---|-------------------------------------|-------------------------------------|
| ESTIMATED REVENUES:   |                                     |                                     |
| Non-Property Tax Items                                      | \$ 12,661,245                       | \$ 12,851,165                       |
| Departmental Income   | 120,700,325                         | 121,679,005                         |
| State Aid   | 2,200,000                           | 3,000,000                           |
| Federal Aid   | <u>0</u>                            | <u>0</u>                            |
| <b>TOTAL ESTIMATED REVENUES</b>                             | <u><b>\$ 135,561,570</b></u>        | <u><b>\$ 137,530,170</b></u>        |
| APPROPRIATIONS BY FUND:                                     |                                     |                                     |
| County Road Fund  | \$ 15,423,970                       | \$ 16,521,365                       |
| Road Machinery Fund   | 1,649,000                           | 1,686,675                           |
| Hospital Fund   | 0                                   | 0                                   |
| Sewer Fund  | 40,404,435                          | 40,141,380                          |
| Internal Services Fund                                      | 26,869,990                          | 26,258,950                          |
| Liability Fund  | 0                                   | 0                                   |
| Worker's Comp./Self-Insurance Fund                          | 4,662,000                           | 4,699,145                           |
| Debt Service Fund   | <u>72,593,460</u>                   | <u>71,922,560</u>                   |
| <b>TOTAL APPROPRIATIONS</b>                                 | <u><b>\$ 161,602,855</b></u>        | <u><b>\$ 161,230,075</b></u>        |
| Excess (Deficiency) Revenues<br>Over Expenditures           | <u>(26,041,285)</u>                 | <u>(23,699,905)</u>                 |
| Other Financing Sources (Uses):                             |                                     |                                     |
| Appropriated Fund Surplus                                   | 12,881,285                          | 11,223,845                          |
| Operating Transfer In                                       | 13,160,000                          | 12,476,060                          |
| Operating Transfer Out                                      | <u>0</u>                            | <u>0</u>                            |
| <b>Total Other Financing<br/>Sources (Uses)</b>             | <u><b>26,041,285</b></u>            | <u><b>23,699,905</b></u>            |
| <b>Total Appropriations<br/>and Other Financing Sources</b> | <u><u><b>\$ 135,561,570</b></u></u> | <u><u><b>\$ 137,530,170</b></u></u> |

Source: Adopted and Proposed Budgets of the County.

**COUNTY OF ROCKLAND  
GENERAL FUND  
BALANCE SHEET**

|   | <u>2019</u>                      | <u>2020</u>                      |
|---|----------------------------------|----------------------------------|
| <b>ASSETS:</b>  |                                  |                                  |
| Cash and Equivalents  |                                  |                                  |
| Demand Deposits   | \$ 110,463,687                   | \$ 121,574,320                   |
| Taxes Receivable, net of allowance for uncollectible taxes        | 75,098,240                       | 92,272,591                       |
| Other Receivables:  |                                  |                                  |
| Accounts, net of allowance for uncollectible amounts              | 40,681,273                       | 37,312,360                       |
| State and Federal aid, net of allowance for uncollectible amounts | 50,539,156                       | 75,756,677                       |
| Due from other governments  | 7,798,659                        | 7,642,182                        |
| Due from other funds  | 835,526                          | 852,273                          |
| Advances from other funds   | 0                                | 0                                |
|   | <u>99,854,614</u>                | <u>121,563,492</u>               |
| Prepaid Expenditures  | 0                                | 0                                |
| <b>TOTAL ASSETS</b>   | <u><u>\$ 285,416,541</u></u>     | <u><u>\$ 335,410,403</u></u>     |
| <br><b>LIABILITIES AND FUND BALANCE:</b>                          |                                  |                                  |
| <b>Liabilities:</b>   |                                  |                                  |
| Accounts payable  | \$ 26,841,155                    | \$ 26,161,545                    |
| Accrued liabilities   | 30,777,910                       | 38,801,256                       |
| Due to other governments  | 14,367,602                       | 27,748,956                       |
| Due to school districts   | 59,205,685                       | 62,259,107                       |
| Due to other funds  | 0                                | 0                                |
| Unearned revenues   | 3,047,492                        | 359,484                          |
| Tax anticipation note payable                                     | 55,000,000                       | 55,000,000                       |
| Revenue anticipation note payable                                 | 0                                | 0                                |
|   | <u>189,239,844</u>               | <u>210,330,348</u>               |
| Deferred Tax Revenues   | 15,530,889                       | 20,820,727                       |
| <b>TOTAL LIABILITIES</b>  | <u><u>\$ 204,770,733</u></u>     | <u><u>\$ 231,151,075</u></u>     |
| <br><b>Fund Balance:</b>  |                                  |                                  |
| Restricted  | 5,320,303                        | 5,022,780                        |
| Assigned  | 5,413,209                        | 6,684,699                        |
| Unassigned  | 69,912,296                       | 92,551,849                       |
|   | <u>80,645,808</u>                | <u>104,259,328</u>               |
| <b>TOTAL FUND BALANCE</b>   | <u><u>80,645,808</u></u>         | <u><u>104,259,328</u></u>        |
| <br><b>TOTAL LIABILITIES AND FUND BALANCE</b>                     | <br><u><u>\$ 285,416,541</u></u> | <br><u><u>\$ 335,410,403</u></u> |

Source: County's Audited Financial Statements. Summary itself not audited.

**COUNTY OF ROCKLAND  
GENERAL FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE**

|   | <u>2016</u>           | <u>2017</u>           | <u>2018</u>           | <u>2019</u>           | <u>2020</u>           |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>REVENUES:</b>  |                       |                       |                       |                       |                       |
| Real Property Taxes   | \$ 117,807,368        | \$ 120,966,743        | \$ 120,427,936        | \$ 126,257,139        | \$ 123,567,038        |
| Other Tax Items   | 12,315,637            | 12,540,389            | 12,070,891            | 11,783,272            | 14,156,981            |
| Non-property Taxes  | 216,048,696           | 217,993,399           | 227,366,191           | 242,040,804           | 230,637,716           |
| Departmental Income   | 49,015,402            | 34,409,543            | 37,145,327            | 27,572,895            | 20,896,455            |
| Use of Money and Property   | 449,668               | 742,554               | 1,539,487             | 2,395,590             | 915,729               |
| Licenses and Permits  | 1,640,827             | 1,819,788             | 1,307,939             | 1,299,576             | 1,199,018             |
| Fines and Forfeitures   | 1,318,166             | 1,537,288             | 1,178,288             | 1,208,577             | 824,115               |
| Sale of Property and Compensation<br>for Loss                               | 85,762                | 65,613                | 75,627                | 67,101                | 66,823                |
| Interfund Revenues  | 25,081,046            | 26,189,206            | 28,490,677            | 28,915,545            | 27,843,111            |
| State Aid   | 71,732,141            | 72,948,034            | 74,182,933            | 84,838,500            | 86,152,480            |
| Federal Aid   | 53,765,401            | 50,972,372            | 51,016,501            | 43,083,721            | 43,033,972            |
| Miscellaneous   | 1,315,482             | 2,208,876             | 675,092               | 148,549               | 55,732                |
| <b>TOTAL REVENUES</b>   | <u>\$550,575,596</u>  | <u>\$542,393,805</u>  | <u>\$555,476,889</u>  | <u>\$569,611,269</u>  | <u>\$549,349,170</u>  |
| <b>EXPENDITURES:</b>  |                       |                       |                       |                       |                       |
| <b>Current:</b>   |                       |                       |                       |                       |                       |
| General Government Support  | \$ 84,220,831         | \$ 80,091,454         | \$ 73,521,358         | \$ 75,924,671         | \$ 74,727,530         |
| Education   | 51,223,270            | 54,820,250            | 54,395,253            | 55,940,832            | 51,151,689            |
| Public Safety   | 76,601,762            | 80,083,980            | 83,663,196            | 86,808,657            | 87,600,348            |
| Health  | 50,729,442            | 49,690,796            | 52,968,634            | 53,103,670            | 52,898,156            |
| Transportation  | 27,378,130            | 28,411,803            | 28,792,489            | 26,691,185            | 28,707,714            |
| Economic Opportunity and Development  | 164,896,077           | 158,061,501           | 157,994,302           | 157,601,207           | 148,481,491           |
| Culture and Recreation  | 314,425               | 278,593               | 170,457               | 238,957               | 246,472               |
| Home and Community Services   | 5,466,830             | 5,185,841             | 5,425,101             | 5,953,506             | 5,921,998             |
| Employee Benefits   | 13,786,265            | 14,835,373            | 15,680,502            | 15,423,584            | 14,895,019            |
| Other   | 0                     | 0                     | 7,564,914             | 7,050,503             | 6,635,214             |
| Debt Service  | 1,190,000             | 1,173,333             | 1,441,667             | 1,640,000             | 1,636,250             |
| <b>TOTAL EXPENDITURES</b>   | <u>\$475,807,031</u>  | <u>\$472,632,924</u>  | <u>\$481,617,873</u>  | <u>\$486,376,772</u>  | <u>\$472,901,881</u>  |
| <b>EXCESS (DEFICIENCY) OF<br/>REVENUES OVER EXPENDITURES</b>                | <u>\$ 74,768,565</u>  | <u>\$ 69,760,881</u>  | <u>\$ 73,859,016</u>  | <u>\$ 83,234,497</u>  | <u>\$ 76,447,289</u>  |
| <b>OTHER FINANCINGS SOURCES (USES)</b>                                      |                       |                       |                       |                       |                       |
| Proceeds from Serial Bonds  |                       | 0                     | 0                     | 0                     | 0                     |
| New York State loan proceeds  |                       | 0                     | 0                     | 0                     | 0                     |
| Sale of Real Property   |                       | 0                     | 0                     | 0                     | 0                     |
| Issuance Premium  | 654,413               | 597,000               | 591,000               | 691,350               | 587,400               |
| Operating Transfers In  | 5,273,000             | 3,879,342             | 3,432,017             | 5,708,989             | 7,850,480             |
| Operating Transfers Out   | (73,075,555)          | (63,750,718)          | (58,333,360)          | (61,341,078)          | (61,271,649)          |
| <b>TOTAL OTHER FINANCING<br/>SOURCES (USES)</b>                             | <u>(\$67,148,142)</u> | <u>(\$59,274,376)</u> | <u>(\$54,310,343)</u> | <u>(\$54,940,739)</u> | <u>(\$52,833,769)</u> |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENDITURES AND OTHER USES</b> | <u>\$7,620,423</u>    | <u>\$10,486,505</u>   | <u>\$19,548,673</u>   | <u>\$28,293,758</u>   | <u>\$23,613,520</u>   |
| <b>FUND BALANCE</b>   |                       |                       |                       |                       |                       |
| Beginning of Year   | 10,103,008            | 17,723,431            | 32,803,377            | 52,352,050            | 80,645,808            |
| Change in Accounting Principle  | 0                     | 0                     | 0                     | 0                     | 0                     |
| Prior Period Adjustment   | 0                     | 4,593,441             | 0                     | 0                     | 0                     |
| Residual Equity Transfer  | 0                     | 0                     | 0                     | 0                     | 0                     |
| <b>End of Year</b>  | <u>\$17,723,431</u>   | <u>\$32,803,377</u>   | <u>\$52,352,050</u>   | <u>\$80,645,808</u>   | <u>\$104,259,328</u>  |

Source: County's Audited Financial Statements.  
Summary itself is not audited.

**COUNTY OF ROCKLAND  
ENTERPRISE FUND - HOME AND INFIRMARY FUND  
STATEMENT OF NET ASSETS**

|   | <b>2016<sup>(1)</sup></b> |
|---|---------------------------|
| <b>ASSETS:</b>  |                           |
| Cash and Equivalents  | \$ 0                      |
| Receiveables:   |                           |
| Accounts  | 0                         |
| Accounts - Patient care, net of allowance for uncollectible amounts | 0                         |
| Funds held in trust for residents                                   | 0                         |
| Inventory   | 0                         |
|   | <hr/>                     |
| Total Current Assets  | 0                         |
|   | <hr/>                     |
| Receiveables - Accounts   | 0                         |
|   | <hr/>                     |
| Capital Assets:   |                           |
| Not Being Depreciated   | 0                         |
| Being Depreciated, Net  | 0                         |
|   | <hr/>                     |
| Total Capital Assets, net of accumulated depreciation               | 0                         |
|   | <hr/>                     |
| Total Non-Current Assets  | 0                         |
|   | <hr/>                     |
| TOTAL ASSETS  | \$ 0                      |
|   | <hr/>                     |
| <br>  |                           |
| DEFERRED OUTFLOWS OF RESOURCES                                      | 0                         |
|   | <hr/>                     |
| Current Liabilities:  |                           |
| Accounts payable  | 0                         |
| Accrued interest payable  | 0                         |
| Funds held in trust for residents                                   | 0                         |
| Due to other funds  | 0                         |
| Unearned Revenue  | 0                         |
| Advances from other funds   | 0                         |
|   | <hr/>                     |
| Total Current Liabilities   | 0                         |
|   | <hr/>                     |
| Non-Current liabilities:  |                           |
| Due within one year   | 0                         |
| Due in more than one year   | 0                         |
|   | <hr/>                     |
| Total Non-Current Liabilities                                       | 0                         |
|   | <hr/>                     |
| Total Liabilities   | 0                         |
|   | <hr/>                     |
| <br>  |                           |
| NET POSITION  |                           |
| Net Investment in Capital Assets                                    | 0                         |
| Unrestricted  | 0                         |
|   | <hr/>                     |
| Total Net Assets  | \$0                       |
|   | <hr/> <hr/>               |

(1) Fund closed in 2016 following the closing of the Yeager Health Center (see "Hospital Facility" herein)

Source: County's Audited Financial Statements.  
Summary itself is not audited.

**COUNTY OF ROCKLAND  
ENTERPRISE FUND - HOME AND INFIRMARY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE YEARS ENDED DECEMBER 31:**

|  | <u>2013</u>                   | <u>2014</u>                   | <u>2015</u>                   | <u>2016<sup>(1)</sup></u> |
|--|-------------------------------|-------------------------------|-------------------------------|---------------------------|
| Operating Revenues:                            |                               |                               |                               |                           |
| Charges for Services:                          |                               |                               |                               |                           |
| Gross patient revenue:                         |                               |                               |                               |                           |
| Net patient services revenues                  | \$57,440,172                  | \$63,556,603                  | \$58,667,534                  | \$0                       |
| Services provided to County Jail               | 330,000                       | 330,000                       | 0                             | 0                         |
| Services provided by the County of Rockland    | <u>2,987,152</u>              | <u>3,030,253</u>              | <u>3,135,168</u>              | <u>0</u>                  |
| Total Patient Revenues                         | <u>60,757,324</u>             | <u>66,916,856</u>             | <u>61,802,702</u>             | <u>0</u>                  |
| Miscellaneous                                  | <u>520,098</u>                | <u>768,564</u>                | <u>628,843</u>                | <u>0</u>                  |
| Total Operating Revenues                       | <u>\$61,277,422</u>           | <u>\$67,685,420</u>           | <u>\$62,431,545</u>           | <u>\$0</u>                |
| Operating Expenses:                            |                               |                               |                               |                           |
| Administrative and general expenses            | \$9,888,213                   | \$9,893,518                   | \$9,543,498                   | \$0                       |
| Salaries and wage                              | 37,089,314                    | 30,333,202                    | 26,822,779                    | 0                         |
| Pension and employee benefits                  | 34,667,105                    | 33,990,062                    | 31,118,535                    | 0                         |
| Supplies and other expenses                    | 7,125,605                     | 6,930,041                     | 6,421,643                     | 0                         |
| Depreciation                                   | <u>2,185,761</u>              | <u>2,210,959</u>              | <u>2,343,640</u>              | <u>0</u>                  |
| Total Operating Expenses                       | <u>\$90,955,998</u>           | <u>\$83,357,782</u>           | <u>\$76,250,095</u>           | <u>\$0</u>                |
| Loss From Operations                           | (\$29,678,576)                | (\$15,672,362)                | (\$13,818,550)                | \$0                       |
| Non-Operating (Expenses)                       |                               |                               |                               |                           |
| Impairment loss                                | 0                             | 0                             | (3,047,324)                   | 0                         |
| Interest on indebtedness                       | <u>(243,291)</u>              | <u>(203,133)</u>              | <u>(300,493)</u>              | <u>0</u>                  |
| Net Loss Before Operating Transfer             | (\$29,921,867)                | (\$15,875,495)                | (\$17,166,367)                | \$0                       |
| Operating Transfer in                          | <u>\$ 13,325,066</u>          | <u>\$ 8,639,253</u>           | <u>\$ 65,979,885</u>          | <u>\$ 103,887,849</u>     |
| Net Income (Loss)                              | (\$16,596,801)                | (\$7,236,242)                 | \$48,813,518                  | \$103,887,849             |
| Fund Balance (Deficit) - Beginning of Year     | (\$128,167,176)               | (\$144,763,977)               | (\$152,000,219)               | (\$103,887,849)           |
| Cumulative Effect of Change of Acct. Principle | 0                             | 0                             | (701,148)                     | 0                         |
| Fund Balance (Deficit) - End of Year           | <u><u>(\$144,763,977)</u></u> | <u><u>(\$152,000,219)</u></u> | <u><u>(\$103,887,849)</u></u> | <u><u>\$0</u></u>         |

(1) Fund closed in 2016 following the closing of the Yeager Health Center (see "Hospital Facility" herein).

Source: County's Audited Financial Statements.  
Summary itself is not audited.



**APPENDIX C**

**AUDITED FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

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

**<https://emma.msrb.org/P11589760.pdf>**

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

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

**(THIS PAGE WAS INTENTIONALLY LEFT BLANK)**

**APPENDIX D**

**FORM OF BOND COUNSEL'S OPINIONS**

**(THIS PAGE WAS INTENTIONALLY LEFT BLANK)**

FORM OF BOND COUNSEL'S OPINION – SERIES C BONDS

September 22, 2021

County of Rockland,  
State of New York

County of Rockland, New York  
\$2,605,000 Refunding (Serial) Bonds, 2021 Series C

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of \$2,605,000 Refunding (Serial) Bonds, 2021 Series C (the "Obligations"), of the County of Rockland, New York (the "Obligor"), dated September 22, 2021, initially issued in registered form in denominations such that one bond shall be issued for each maturity of bonds in such amounts as hereinafter set forth, bearing interest at the rate of \_\_\_ and \_\_\_ hundredths per centum (\_\_\_%) per annum, payable on December 15, 2021 and semi-annually thereafter on June 15 and December 15, and maturing in the amount of \$\_\_\_\_\_ on December 15, 2022, \$\_\_\_\_\_ on December 15, 2023, \$\_\_\_\_\_ on December 15, 2024, \$\_\_\_\_\_ on December 15, 2025, \$\_\_\_\_\_ on December 15, 2026, \$\_\_\_\_\_ on December 15, 2027, \$\_\_\_\_\_ on December 15, 2028, \$\_\_\_\_\_ on December 15, 2029, \$\_\_\_\_\_ on December 15, 2030, \$\_\_\_\_\_ on December 15, 2031.

The Obligations are not subject to redemption prior to maturity.

We have examined:

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

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

In our opinion:

- (a) The Obligations 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 Obligor. All the taxable real

property within which is subject to the levy of ad valorem taxes to pay the Obligations and interest thereon, subject to applicable statutory limitations; provided, however, that the enforceability (but not the validity) of the Obligations: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.

- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligations; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligations is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligations is not a specific preference item for purposes of the federal alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligations.

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

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

The scope of our engagement in relation to the issuance of the Obligations has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the Obligations as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligations for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligations, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

/s/ Orrick, Herrington & Sutcliffe LLP

FORM OF BOND COUNSEL'S OPINION – SERIES A BONDS

January 4, 2022

County of Rockland,  
State of New York

County of Rockland, New York  
\$8,345,000 Refunding (Serial) Bonds, 2022 Series A (Forward Delivery)

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of \$8,345,000 Refunding (Serial) Bonds, 2022 Series A (Forward Delivery) (the "Obligations"), of the County of Rockland, New York (the "Obligor"), dated January 4, 2022, initially issued in registered form in denominations such that one bond shall be issued for each maturity of bonds in such amounts as hereinafter set forth, bearing interest at the rate of \_\_\_ and \_\_\_ hundredths per centum (\_\_\_%) per annum, payable on April 1, 2022, October 1, 2022 and semi-annually thereafter in each year until maturity, and maturing in the amount of \$ \_\_\_\_\_ on April 1, 2022, \$ \_\_\_\_\_ on April 1, 2023, \$ \_\_\_\_\_ on April 1, 2024, \$ \_\_\_\_\_ on April 1, 2025, \$ \_\_\_\_\_ on April 1, 2026, \$ \_\_\_\_\_ on April 1, 2027, \$ \_\_\_\_\_ on April 1, 2028, \$ \_\_\_\_\_ on April 1, 2029, \$ \_\_\_\_\_ on April 1, 2030, \$ \_\_\_\_\_ on April 1, 2031, \$ \_\_\_\_\_ on April 1, 2032, \$ \_\_\_\_\_ on April 1, 2033, \$ \_\_\_\_\_ on April 1, 2034, \$ \_\_\_\_\_ on April 1, 2035, \$ \_\_\_\_\_ on April 1, 2036, \$ \_\_\_\_\_ on April 1, 2037, \$ \_\_\_\_\_ on April 1, 2038, \$ \_\_\_\_\_ on April 1, 2039, \$ \_\_\_\_\_ on April 1, 2040, \$ \_\_\_\_\_ on April 1, 2041, \$ \_\_\_\_\_ on April 1, 2042, \$ \_\_\_\_\_ on April 1, 2043, \$ \_\_\_\_\_ on April 1, 2044.

The Obligations maturing on or before April 1, 2030 will not be subject to redemption prior to maturity. The Obligations maturing on April 1, 2031, and thereafter, will be subject to redemption prior to maturity, at the option of the Obligor, in whole or in part, and if in part, in any order of their maturity and in any amount within a maturity (selected by lot within a maturity) on any date on or after April 1, 2030 at par plus accrued interest to the redemption date.

We have examined:

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

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

In our opinion:

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

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

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

The scope of our engagement in relation to the issuance of the Obligations has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the Obligations as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligations for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligations, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

/s/ Orrick, Herrington & Sutcliffe LLP



**APPENDIX E**

**FORM OF CONTINUING DISCLOSURE UNDERTAKING FOR THE BONDS**

**(THIS PAGE WAS INTENTIONALLY LEFT BLANK)**

**CONTINUING DISCLOSURE UNDERTAKING CERTIFICATE  
PURSUANT TO RULE 15C2-12 OF THE  
SECURITIES AND EXCHANGE COMMISSION**

1. On the date hereof, the County of Rockland, New York (the "Issuer") is issuing its [\$2,605,000 Refunding (Serial) Bonds, 2021 Series C] [\$8,345,000 Refunding (Serial) Bonds, 2022 Series A (Forward Delivery)], dated [September 22, 2021][January 4, 2022] (the "Bonds"). The undersigned Commissioner of Finance, being the chief fiscal officer of the Issuer, hereby agrees, in accordance with the provisions of Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, to provide or cause to be provided,

(i) to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, during each fiscal year in which the Bonds are outstanding, (a) 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 dated September XX, 2021 of the Issuer relating to the Bonds under the heading "Litigation" and in Appendix A under the headings "The County", "Financial Factors", "Real Property Taxes", "County Indebtedness", "Economic and Demographic Data" and "Employment and Unemployment" on or prior to the 270<sup>th</sup> day following the end of each fiscal year, commencing with the fiscal year ending December 31, 2021, and (b) a copy of the audited financial statement, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending December 31, 2021; such audit, if any, will be so provided on or prior to the 270<sup>th</sup> day following the end of each fiscal year, unless such audited financial statement shall not then be available, in which case unaudited financial statements in the form provided to the State of New York, if available, will be provided no later than said date, and an audited financial statement shall be provided within 30 days after it becomes available and in no event later than one year after the end of each fiscal year; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the Issuer of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;

(ii) in a timely manner not in excess of ten business days after the occurrence of the event to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Bonds:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;

- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax-exempt status of the Bonds;
- (g) modifications to rights of bond holders;
- (h) bond calls, if material, and tender offers;
- (i) defeasances;
- (j) release, substitution, or sale of property securing repayment of the Bonds;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (m) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, 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
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a “financial obligation” (as defined in the Rule) of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect Bondholders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

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

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

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

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

(iii) in a timely manner, to the MSRB or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of its failure to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, on or before the date specified.

2. The Issuer reserves the right to terminate its obligations to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, and notices of material events, as set forth above, if and when the Issuer no longer remains an obligated person with respect to the Bonds within the meaning of the Rule. The Issuer acknowledges that its undertaking pursuant to the Rule described in this certificate is intended to be for the benefit of the holders of the Bonds (including holders of beneficial interests in the Bonds). The right of holders of the Bonds to enforce the provisions of this undertaking is limited to a right to obtain specific enforcement of the Issuer's obligations hereunder and any failure by the Issuer to comply with the provisions of this undertaking will neither be a default with respect to the Bonds nor entitle any holder of the Bonds to recover monetary damages.

3. The Issuer reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer; provided that, the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

IN WITNESS WHEREOF, I have hereunto set my hand on [September 22, 2021][January 4, 2022].

---

Commissioner of Finance

**(THIS PAGE WAS INTENTIONALLY LEFT BLANK)**

**APPENDIX F**

**FORM OF FORWARD DELIVERY CONTRACT**

**(THIS PAGE WAS INTENTIONALLY LEFT BLANK)**



**Forward Delivery Contract**

Re: \$8,345,000 County of Rockland, New York, Refunding (Serial) Bonds, 2022 Series A (Forward Delivery) (the "Series A Bonds").

Ladies and Gentlemen:

The Purchaser designated below and executing this instrument (the "Purchaser") hereby agrees to purchase when, as, and if issued and delivered by the County of Rockland, New York (the "County") to D.A. Davidson & Co. (the "Underwriter") and the Underwriter agrees to sell to the undersigned,

| <b>Maturity Date</b> | <b>Par Amount</b> | <b>Coupon</b> | <b>CUSIP Number</b> | <b>Yield</b> | <b>Price</b> |
|----------------------|-------------------|---------------|---------------------|--------------|--------------|
|----------------------|-------------------|---------------|---------------------|--------------|--------------|

of the above-referenced Series A Bonds (the "Purchased Series A Bonds") offered by the County's Preliminary Official Statement dated August 24, 2021 (the "Preliminary Official Statement"), receipt of a copy of which is hereby acknowledged and the Official Statement dated September 1, 2021 (the "Official Statement"), at a purchase price (plus accrued interest, if any, from the date of the initial delivery of the Purchased Series A Bonds), at the interest rates, in the principal amounts and with maturity dates shown above, and on the further terms and conditions set forth in this Forward Delivery Contract.

The Purchaser hereby confirms that it has reviewed the Preliminary Official Statement (including without limitation the information under the heading "CERTAIN FORWARD DELIVERY CONSIDERATIONS OF THE SERIES A BONDS" therein), has considered the risks associated with purchasing the Purchased Series A Bonds and is duly authorized to purchase the Purchased Series A Bonds. The Purchaser further acknowledges and agrees that the Purchased Series A Bonds are being sold on a "forward" basis, and the Purchaser hereby purchases and agrees to accept delivery of such Purchased Series A Bonds from the Underwriter on or about January 4, 2022 (the "Settlement Date") as they may be issued pursuant to the Forward Delivery Bond Purchase Agreement between the County and the Underwriter (the "Bond Purchase Agreement"). A copy of the Bond Purchase Agreement is available from the Underwriter upon request. Under the Bond Purchase Agreement, the County must deliver a copy of the Official Statement within seven business days of the date of the Bond Purchase Agreement.

Payment for the Purchased Series A Bonds that the Purchaser has agreed to purchase on the Settlement Date shall be made to the Underwriter by wire transfer to a bank account specified by the Underwriter, on the Settlement Date upon delivery to the Purchaser of the Purchased Series A Bonds then to be purchased by the Purchaser through the book-entry system of The Depository Trust Company.

Upon issuance by the County of the Series A Bonds and purchase thereof by the Underwriter, the obligation of the Purchaser to take delivery of the Purchased Series A Bonds hereunder *shall be unconditional* unless:

- The County fails to deliver the Series A Bonds as set forth in the Bond Purchase Agreement or fails or is unable to comply with all of the conditions to settlement set forth in the Bond Purchase Agreement by 10:00 a.m. Eastern Time on the Settlement Date, or

- the Underwriter terminates its agreement to purchase the Series A Bonds on the Settlement Date for re-sale to the Purchaser upon the occurrence of an event described in the Preliminary Official Statement under "CERTAIN FORWARD DELIVERY CONSIDERATIONS OF THE SERIES A BONDS."

The Purchaser acknowledges that the market value of the Series A Bonds as of the Settlement Date may be affected by a variety of factors between the date of this Forward Delivery Contract and the Settlement Date, including, without limitation, changes in general market conditions or the financial condition and business operations of the County or modifications to laws that may diminish the value of, as opposed to eliminating the exclusion from gross income for federal income tax purposes, interest payable on "state or local bonds," that will not prevent the County from satisfying all material conditions precedent for the delivery of the Purchased Series A Bonds. The Purchaser acknowledges and agrees that it will not be able to withdraw its order as described and, except as described in the fourth paragraph of this Forward Delivery Contract, will not otherwise be excused from performance of its obligations to take up and pay for the Purchased Series A Bonds on the Settlement Date. To effect a termination by the Purchaser, the Purchaser acknowledges and agrees that it must give written notice of termination of this Forward Delivery Contract to the Underwriter before Settlement (i.e., delivery of the Series A Bonds to, and payment for the Series A Bonds by, the Underwriter) on the Settlement Date. The Purchaser understands and agrees that no termination of the obligation of the Purchaser may occur after the Settlement Date. The Purchaser also acknowledges and agrees that it will remain obligated to purchase the Purchased Series A Bonds in accordance with the terms hereof even if the Purchaser decides to sell such Purchased Series A Bonds following the date hereof.

The Purchaser represents and warrants that, as of the date of this Forward Delivery Contract, the Purchaser is not prohibited from purchasing the Purchased Series A Bonds hereby agreed to be purchased by it under the laws of the jurisdiction to which the undersigned is subject.

This Forward Delivery Contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party hereto without the prior written consent of the other.

This Forward Delivery Contract may be executed by either of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall constitute one and the same instrument.

It is understood that the acceptance by the Underwriter of any Forward Delivery Contract (including this one) is in the Underwriter's sole discretion and that, without limiting the foregoing, acceptances of such contracts need not be on a first-come, first-served basis. If this Forward Delivery Contract is acceptable to the Underwriter, it is requested that the Underwriter sign the form of acceptance below and mail or deliver one of the counterparts hereof to the Purchaser at its address set forth below. This will become a binding contract between the Underwriter and the Purchaser when such counterpart is mailed or delivered to the Purchaser. This Forward Delivery Contract does not constitute a customer confirmation pursuant to Rule G-15 of the Municipal Securities Rulemaking Board.

This Forward Delivery Contract shall be construed and administered under the laws of the State of New York.

[NAME OF INVESTOR]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Accepted: \_\_\_\_\_, 20\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_