

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 22, 2023

RENEWAL ISSUES

**RATING: SEE “RATING” HEREIN
BOND ANTICIPATION NOTES**

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Village, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Series A Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Series A Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Series A Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Interest on the Series B Notes is included in gross income for federal income tax purposes pursuant to the Code. In addition, in the opinion of Bond Counsel to the Village, under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York. See “Tax Matters for the Series A Notes” and “Tax Matters for the Series B Notes” herein.

The Village WILL designate the Series A Notes as “qualified tax-exempt obligations” pursuant to the provisions of Section 265(b)(3) of the Code.

**VILLAGE OF HAVERSTRAW
ROCKLAND COUNTY, NEW YORK**

**\$2,279,000
BOND ANTICIPATION NOTES – 2023 SERIES A
(the “Series A Notes”)**

Date of Issue: September 14, 2023

Maturity Date: September 13, 2024

**\$1,900,000
BOND ANTICIPATION NOTES – 2023 SERIES B (FEDERALLY TAXABLE)
(the “Series B Notes” and together with the Series A Notes, the “Notes”)**

Date of Issue: September 14, 2023

Maturity Date: September 13, 2024

The Notes are general obligations of the Village of Haverstraw, Rockland County, New York (the “Village”), and will contain a pledge of the faith and credit of the Village for the payment of the principal thereof and interest thereon and, unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied upon all the taxable real property within the Village, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended, (the “Tax Levy Limit Law”). (See “Tax Levy Limit Law” herein.)

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

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

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

If the Notes are issued in book-entry form, such notes will be delivered to DTC, which will act as Securities Depository for such Notes. Said Notes will be registered to Cede & Co. as partnership nominee for DTC. Individual purchases may be made in book-entry form only, in principal amounts of \$5,000 or integral multiples thereof, except for one necessary odd denomination in the Series A Notes. Purchasers will not receive certificates representing their ownership interests in the Notes issued in book-entry-only form. Payment of the principal of and interest on such Notes will be made by the Village to DTC, which will in turn remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of such Notes as described herein. (See “Description of Book-Entry System” herein.)

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the respective final approving opinions of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel. It is anticipated that the Notes will be available for delivery through the offices of DTC in New York, New York or as otherwise agreed upon, on or about September 14, 2023.

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

Dated: September __, 2022

*Preliminary, subject to change.

**VILLAGE OF HAVERSTRAW
ROCKLAND COUNTY, NEW YORK**

**MICHAEL KOHUT
MAYOR**

BOARD OF TRUSTEES

Gil CarlevaroDeputy Mayor

Rafael BuenoTrustee

Joel I.A. SantanaTrustee

Richard Sena.....Trustee

Alicia BoudreauVillage Treasurer

Isabel Gonzalez SotoVillage Clerk

J. Nelson Hood, Jr.....Village Attorney

BOND COUNSEL

**Hawkins Delafield & Wood LLP
New York, New York**

MUNICIPAL ADVISOR



CAPITAL MARKETS ADVISORS, LLC
*Long Island * Hudson Valley * Southern Tier * Western New York*
(516) 487-9817

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

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
THE NOTES	1	Original Issue Discount	9
Description of the Notes	1	Bond Premium	10
Authority for and Purpose of the Series A Notes	1	Information Reporting and Backup Withholding	10
Authority for and Purpose of the Series B Notes	2	Miscellaneous	11
No Optional Redemption	2	TAX MATTERS FOR THE SERIES B NOTES	11
Nature of Obligation	2	Opinion of Bond Counsel	11
Description of Book-Entry System	2	Original Issue Discount	11
REMEDIES UPON DEFAULT	4	Acquisition Discount on Short-Term Series B Notes	12
NO PAST DUE DEBT	5	Note Premium	12
MUNICIPAL BANKRUPTCY	5	Disposition and Defeasance	12
FINANCIAL CONTROL BOARDS	6	Information Reporting and Backup Withholding	13
RISK FACTORS	7	U.S. Holders	13
CYBERSECURITY	8	Miscellaneous	13
LITIGATION	8	LEGAL MATTERS	13
TAX MATTERS FOR THE SERIES A NOTES	8	DISCLOSURE UNDERTAKING	13
Opinion of Bond Counsel	8	RATING	13
Certain Ongoing Federal Tax Requirements and		MUNICIPAL ADVISOR	14
Certifications	9	ADDITIONAL INFORMATION	14
Certain Collateral Federal Tax Consequences	9		

APPENDIX A

THE VILLAGE	A-1	TAX INFORMATION	A-8
General Information	A-1	Valuations and Tax Data	A-8
Haverstraw Waterfront and		Tax Levy Limit Law	A-8
Downtown Revitalization Project	A-1	Tax Collection Procedures	A-9
Form of Government	A-1	Ten of the Largest Taxpayers of the Village	A-10
Elected and Appointed Officials	A-1	VILLAGE INDEBTEDNESS	A-10
Village Services and Programs	A-2	Constitutional and Statutory Requirements	A-10
Employees	A-2	Statutory Procedure	A-11
Employee Pension Benefits	A-2	Constitutional Debt-Contracting Limitation	A-12
Other Post Employment Benefits	A-3	Tax and Revenue Anticipation Notes	A-13
Investment Policy and Permitted Investments	A-4	Bond Anticipation Notes	A-13
FINANCIAL INFORMATION	A-5	Trend of Capital Indebtedness	A-13
COVID-19 Stimulus and Uses	A-5	Future Capital Borrowings	A-13
Budgetary Procedure	A-5	Estimated Overlapping and Underlying Debt	A-14
Independent Audits	A-5	Debt Ratios	A-14
Fund Structures and Accounts	A-5	Debt Service Schedule	A-15
Basis of Accounting	A-6	ECONOMIC AND DEMOGRAPHIC DATA	A-16
2017/2018 Audited Results	A-6	Population	A-16
2018/2019 Audited Results	A-6	Income	A-16
2019/2020 Audited Results	A-6	Employment and Unemployment	A-17
2020/2021 Audited Results	A-6	Utilities	A-18
2021/2022 Audited Results	A-6	Transportation	A-18
2022/2023 Adopted Budget	A-6	Educational, Cultural and Medical Institutions	A-18
2023/2024 Adopted Budget	A-6		
Real Property Taxes	A-7		
State Aid	A-7		

APPENDIX B – SUMMARY OF BUDGETS AND FINANCIAL STATEMENTS

APPENDIX C – FORMS OF APPROVING LEGAL OPINION OF BOND COUNSEL FOR THE NOTES

APPENDIX D – FORM OF CERTIFICATE TO PROVIDE NOTICES OF EVENTS FOR THE NOTES

OFFICIAL STATEMENT

VILLAGE OF HAVERSTRAW ROCKLAND COUNTY, NEW YORK

relating to

\$2,279,000

BOND ANTICIPATION NOTES – 2023 SERIES A

and

\$1,900,000

BOND ANTICIPATION NOTES – 2023 SERIES B (FEDERALLY TAXABLE)

This Official Statement, which includes the cover page and appendices hereto, presents certain information relating to the Village of Haverstraw, in the County of Rockland, in the State of New York (the “Village”, “County” and “State,” respectively) in connection with the sale of \$2,279,000 Bond Anticipation Notes – 2023 Series A (the “Series A Notes”) and \$1,900,000 Bond Anticipation Notes – 2023 Series B (Federally Taxable) (the “Series B Notes” and together with the Series A Notes, the “Notes”).

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

THE NOTES

Description of the Notes

The Notes will be dated and will mature, without option of prior redemption, as reflected on the cover page hereof.

For any Notes issued in non-book-entry form, the purchaser(s) will serve as paying agent for such Notes. Paying agent fees, if any, will be paid by the purchaser(s). The Village will act as paying agent for the Notes issued in book-entry form. The Village Treasurer, Alicia Boudreau, treasurer@vohny.com, (845) 429-0300, shall be the Paying Agent contact.

Authority for and Purpose of the Series A Notes

The Series A Notes are issued pursuant to the Constitution and Laws of the State, including among others, the Village Law, the Local Finance Law, and two bond resolutions duly adopted by the Village Board on June 21, 2021 for the acquisition of certain property commonly known as the “Chair Factory Property,” located in the Village and on August 2, 2023 for the purchase of a street sweeper. A portion of the proceeds from the sale of the Series A Notes in the amount of \$2,033,000, together with \$32,000 in available funds, will be used to redeem the Village’s outstanding \$2,065,000 Bond Anticipation Notes – 2022 Series A at maturity on September 15, 2023. The \$246,000 balance of the proceeds from the sale of the Series A Notes will be used to provide original funding pursuant to the August 2, 2023 bond resolution.

Authority for and Purpose of the Series B Notes

The Series B Notes are issued pursuant to the Constitution and Laws of the State, including among others, the Village Law, the Local Finance Law, and a bond resolution duly adopted by the Village Board on June 21, 2021 for the payment of a settled claim. The proceeds from the sale of the Series B Notes, together with \$101,000 in

available funds, will be used to redeem the Village's outstanding \$2,001,000 Bond Anticipation Notes – 2022 Series B (Federally Taxable) at maturity on September 15, 2023.

No Optional Redemption

The Notes will be subject to optional redemption prior to maturity.

Nature of Obligation

The Notes when duly issued and paid for will constitute a contract between the Village and the holders thereof.

The Notes will be general obligations of the Village and will contain a pledge of the faith and credit of the Village for the payment of the principal thereof and the interest thereon. For the payment of such principal of and interest on the Notes, the Village has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the Village, subject to certain statutory limitations imposed by the Tax Levy Limit Law. (See "*Tax Levy Limit Law*" herein.)

Under the Constitution of the State, the Village is required to pledge its faith and credit for the payment of the principal of and interest on the Notes, and the State is specifically precluded from restricting the power of the Village to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limit Law imposes a statutory limitation on the Village's power to increase its annual tax levy. As a result, the power of the Village to levy real estate taxes on all the taxable real property within the Village is subject to statutory limitations set forth in Tax Levy Limit Law, unless the Village complies with certain procedural requirements to permit the Village to levy certain year-to-year increases in real property taxes. (See "*Tax Levy Limit Law*" herein.)

Description of Book-Entry System

The Depository Trust Company ("DTC") will act as securities depository for those Notes issued in book-entry form. Those Notes issued in book-entry form will be issued as fully-registered notes registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for each Note of an issue issued in book-entry form bearing the same rate of interest and CUSIP number, and will be deposited with DTC.

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

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each 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 Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

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

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

Redemption notices shall be sent to DTC. If less than all of the securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

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

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village, on payable date in accordance with their respective holdings shown on DTC's records. Payments by the Village to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

Source: The Depository Trust Company and Clearing Corporation.

REMEDIES UPON DEFAULT

Neither the Notes, nor the proceedings with respect thereto, specifically provide any remedies which would be available to owners of the Notes should the Village default in the payment of principal of or interest on the Notes, nor do they contain any provisions for the appointment of a trustee to enforce the interests of the owners of the Notes upon the occurrence of any such default. The Notes are general obligation contracts between the Village and the owners for which the faith and credit of the Village are pledged and while remedies for enforcement of payment are not expressly included in the Village's contract with such owners, any permanent repeal by statute or constitutional amendment of a bondholder's and/or noteholder's remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

Upon default in the payment of principal of or interest on the Notes at the suit of the owner, a Court has the power, in proper and appropriate proceedings, to render judgment against the Village. The present statute limits interest on the amount adjudged due to contract creditors to nine per centum per annum from the date due to the date of payment. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment. A Court also has the power, in proper and appropriate proceedings, to order payment of a judgment on such bonds or notes from funds lawfully available therefor or, in the absence thereof, to order the Village to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising its discretion as to whether to issue such an order, the Court may take into account all relevant factors, including the current operating needs of the Village and the availability and adequacy of other remedies. Upon any default in the payment of the principal of or interest on the Notes, the owners of such Notes could, among other remedies, seek to obtain a writ of mandamus from a Court ordering the governing body of the Village to assess, levy and collect an ad valorem tax, upon all taxable property of the Village subject to taxation by the Village sufficient to pay the principal of and interest on the Notes as the same shall come due and payable (and interest from the due date to date of payment) and otherwise to observe the covenants contained in the Notes and the proceedings with respect thereto all of which are included in the contract with the owners of the Notes. The mandamus remedy, however, may be impracticable and difficult to enforce. Further, the right to enforce payment of the principal of or interest on the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws and equitable principles, which may limit the specific enforcement of certain remedies.

In 1976, the New York Court of Appeals, the State's highest court, held in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), that the New York State legislation purporting to postpone the payment of debt service on New York City obligations was an unconstitutional moratorium in violation of the New York State constitutional faith and credit mandate included in all municipal debt obligations. While that case can be viewed as a precedent for protecting the remedies of Noteholders, there can be no assurance as to what a Court may determine with respect to future events, including financial crises as they may occur in the State and in municipalities of the State, that require the exercise by the State of its emergency and police powers to assure the continuation of essential public services. (See also, *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 1088 (1977), where the Court of Appeals described the pledge as a direct Constitutional mandate.)

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the Village.

Pursuant to Article VIII, Section 2 of the State Constitution, the Village is required to provide an annual appropriation of monies for the payment of due and payable principal of and interest on indebtedness. Specifically this constitutional provision states: "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. In *Quirk v. Municipal Assistance Corp.*, 41 N.Y.2d 644 (1977), 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 the 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 or may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues. The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

While the courts in the 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.

In prior years, certain events and legislation affecting a holder’s remedies upon default have resulted in litigation. While courts of final jurisdiction have generally upheld and sustained the rights of bondholders and/or noteholders, such courts might hold that future events, including a financial crisis as such may occur in the State or in political subdivisions of the State, may 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.

NO PAST DUE DEBT

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

MUNICIPAL BANKRUPTCY

The undertakings of the Village should be considered with reference, specifically, to Chapter IX of the Bankruptcy Act, 11 U.S.C. §401, et seq., as amended (“Chapter IX”) and, in general, to other bankruptcy laws affecting creditors’ rights and municipalities. Chapter IX permits any political subdivision, public agency or instrumentality that is insolvent or unable to meet its debts (i) to file a petition in a Court of Bankruptcy for the purpose of effecting a plan to adjust its debts provided such entity is authorized to do so by applicable state law; (ii) directs such a petitioner to file with the court a list of a petitioner’s creditors; (iii) provides that a petition filed under such chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; (iv) grants priority to debt owed for services or material actually provided within three (3) months of the filing of the petition; (v) directs a petitioner to file a plan for the adjustment of its debts; and (vi) provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds (2/3) in amount or more than one-half (1/2) in number of the listed creditors.

Bankruptcy proceedings by the Village could have adverse effects on holders of bonds or notes including (a) delay in the enforcement of their remedies, (b) subordination of their claims to those supplying goods and services to the Village after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings and (c) imposition without their consent of a reorganization plan reducing or delaying payment of the Bonds or the Notes. The Bankruptcy Code contains provisions intended to ensure that, in any reorganization plan not accepted by at least a majority of a class of creditors such as the holders of general obligation bonds, such creditors will have the benefit of their original claim or the “indubitable equivalent”. The effect of these and other provisions of the Bankruptcy Code cannot be predicted and may be significantly affected by judicial interpretation.

Accordingly, enforceability of the rights and remedies of the owners of the Bonds or the Notes, and the obligations incurred by the Village, may become subject to Chapter IX and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor’s rights generally,

now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against public agencies in the State. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Bonds or the Notes to judicial discretion, interpretation and of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

The State has consented (see Title 6-A of the Local Finance Law) that any municipality in the State may file a petition with any United States district court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect for the composition or adjustment of municipal indebtedness. However, it is noted that there is no record of any recent filings by a New York municipality. Since the New York City fiscal crisis in 1975, the State has enacted legislation establishing financial control boards and fiscal stability authorities to monitor finance matters and restructure outstanding indebtedness for the cities of Yonkers, Troy and Buffalo and for the counties of Nassau and Erie.

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

The above references to the Bankruptcy Act are not to be construed as an indication that the Village is currently considering or expects to resort to the provisions of the Bankruptcy Act.

FINANCIAL CONTROL BOARDS

Pursuant to Article IX Section 2(b)(2) of the State Constitution, any municipality 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 Counties of Erie and 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 in certain cases approve or disapprove collective bargaining agreements. Implementation is generally 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, upon the issuance of a certificate of necessity of the Governor reciting facts which in the judgment of the 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 a 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, Villages 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, Villages 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 in the finances and operations of entities such as the public benefit corporations established by special acts as described above.

Several municipalities in the State are presently working with the FRB. The Village has not applied to the FRB and does not reasonably anticipate submission of a request to the FRB for a comprehensive review of its finances and operations. School districts and fire districts are not eligible for FRB assistance.

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:

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

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

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

The Village relies in part on State aid to fund its operations. There can be no assurance that the State appropriation for State aid to municipalities will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the Village can be paid only if the State has such monies available therefor. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget, the impact to the State's economy and financial condition due to the COVID-19 outbreak and other circumstances, including State fiscal stress. (See "State Aid" herein). Should the Village fail to receive State aid expected from the State in the amounts or at the times expected, occasioned by a delay in the payment of such monies, the Village is authorized by the Local Finance Law to provide operating funds by borrowing on account of the uncollected State aid.

In addition, in some recent years, the Village's receipt of State aid was delayed as a result of the County's delay in disseminating State aid to Villages within its borders, including the Village. If the County should further delay payments to the municipalities within its borders, including the Village, in this year or future years, the Village may be affected by such a delay.

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

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

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

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

CYBERSECURITY

The Village, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the Village faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Village may invest in various forms of cybersecurity and operational controls; however, no assurances can be given that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage Village digital networks and systems and the costs of remedying any such damage could be substantial. In May 2023, the Village renewed their cybersecurity insurance policy.

LITIGATION

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

TAX MATTERS FOR THE SERIES A NOTES

Opinion of Bond Counsel

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Village, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Series A Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Series A Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Series A Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. The Tax Certificate of the Village (the “Tax Certificate”), which will be delivered concurrently with the delivery of the Series A Notes, will contain provisions and procedures relating to compliance with applicable requirements of the Code. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Village and others in connection with the Series A Notes, and Bond Counsel has assumed compliance by the Village with certain ongoing provisions and procedures set forth in the Tax Certificate relating to compliance with applicable requirements of

the Code to assure the exclusion of interest on the Series A Notes from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel to the Village, under existing statutes, interest on the Series A Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

Bond Counsel expresses no opinion as to any other federal, state or local tax consequences arising with respect to the Series A Notes, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Series A Notes.

Certain Ongoing Federal Tax Requirements and Certifications

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Series A Notes in order that interest on such Series A Notes be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Series A Notes, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Series A Notes to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The Village, in executing the Tax Certificate, will certify to the effect that the Village will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure the exclusion of interest on the Series A Notes from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Series A Notes. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Series A Note. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Series A Notes.

Prospective owners of the Series A Notes should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Series A Notes may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Discount

“Original issue discount” (“OID”) is the excess of the sum of all amounts payable at the stated maturity of a Series A Note (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the “issue price” of a maturity (a bond with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the Series A Notes. In general, the issue price for each maturity of the

Series A Notes is expected to be the initial public offering price set forth in this Official Statement. Bond Counsel further is of the opinion that, for any Series A Note having OID (a “Discount Obligation”), OID that has accrued and is properly allocable to the owners of the Discount Obligation under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Series A Notes.

In general, under Section 1288 of the Code, OID on a Discount Obligation accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Obligation. An owner’s adjusted basis in a Discount Obligation is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Discount Obligation. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Obligation even though there will not be a corresponding cash payment.

Owners of Discount Obligations should consult their own tax advisors with respect to the treatment of original issue discount for Federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Obligations.

Bond Premium

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

Information Reporting and Backup Withholding

Information reporting requirements will apply to interest on tax-exempt obligations, including the Series A Notes. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, “Request for Taxpayer Identification Number and Certification,” or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to “backup withholding,” which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a “payor” generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Series A Note through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Series A Notes from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner’s federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Series A Notes under federal or state law or otherwise prevent beneficial owners of the Series A Notes from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Series A Notes.

Prospective purchasers of the Series A Notes should consult their own tax advisors regarding the foregoing matters.

TAX MATTERS FOR THE SERIES B NOTES

Opinion of Bond Counsel

In the opinion of Bond Counsel to the Village, interest on the Series B Notes (i) is included in gross income for federal income tax purposes, and (ii) is exempt, under existing statutes, from personal income taxes of New York State and its political subdivisions, including The City of New York.

The following discussion is a brief summary of the principal United States federal income tax consequences of the acquisition, ownership and disposition of Series B Notes by original purchasers of the Series B Notes who are “U.S. Holders”, as defined herein. This summary (i) is based on the Code, Treasury Regulations, revenue rulings and court decisions, all as currently in effect and all subject to change at any time, possibly with retroactive effect; (ii) assumes that the Series B Notes will be held as “capital assets”; and (iii) does not discuss all of the United States federal income tax consequences that may be relevant to a U.S. Holder in light of its particular circumstances or to U.S. Holders subject to special rules, such as insurance companies, financial institutions, tax-exempt organizations, dealers in securities or foreign currencies, persons holding the Series B Notes as a position in a “hedge” or “straddle”, U.S. Holders whose functional currency (as defined in Section 985 of the Code) is not the United States dollar, holders who acquire Series B Notes in the secondary market, or individuals, estates and trusts subject to the tax on unearned income imposed by Section 1411 of the Code.

Certain taxpayers who are required to prepare certified financial statements and file such financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Series B Notes at the time that such income, gain or loss is taken into account on such financial statements instead of under the rules described below. In addition, for tax years beginning after December 31, 2022, interest on the Series B Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

U.S. Holders of Series B Notes should consult with their own tax advisors concerning the United States federal income tax and other consequences with respect to the acquisition, ownership and disposition of the Series B Notes as well as any tax consequences that may arise under the laws of any state, local or foreign tax jurisdiction.

Original Issue Discount

In general, if Original Issue Discount (“OID”) is greater than a statutorily defined de minimis amount, a U.S. Holder of a Series B Note must include in federal gross income (for each day of the taxable year, or portion of the taxable year, in which such holder holds such Series B Note) the daily portion of OID, as it accrues (generally on a constant yield method) and regardless of the U.S. Holder’s method of accounting. “OID” is the excess of (i) the “stated redemption price at maturity” over (ii) the “issue price”. For purposes of the foregoing: “issue price” means the first price at which a substantial amount of the Series B Note is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers); “stated redemption price at maturity” means the sum of all payments, other than “qualified stated interest”, provided by such Series B Note; “qualified stated interest” is stated interest that

is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate; and “de minimis amount” is an amount equal to 0.25 percent of the Series B Note’s stated redemption price at maturity multiplied by the number of complete years to its maturity. A U.S. Holder may irrevocably elect to include in gross income all interest that accrues on a Series B Note using the constant-yield method, subject to certain modifications.

Acquisition Discount on Short-Term Series B Notes

Each U.S. Holder of a Series B Note with a maturity not longer than one year (a “Short-Term Taxable Note”) is subject to rules of Sections 1281 through 1283 of the Code, if such U.S. Holder is an accrual method taxpayer, bank, regulated investment company, common trust fund or among certain types of pass-through entities, or if the Short-Term Taxable Note is held primarily for sale to customers, is identified under Section 1256(e)(2) of the Code as part of a hedging transaction, or is a stripped bond or coupon held by the person responsible for the underlying stripping transaction. In any such instance, interest on, and “acquisition discount” with respect to, the Short-Term Taxable Note accrue on a ratable (straight-line) basis, subject to an election to accrue such interest and acquisition discount on a constant-interest-rate basis using daily compounding. “Acquisition discount” means the excess of the stated redemption price of a Short-Term Taxable Note at maturity over the U.S. Holder’s tax basis therefor.

A U.S. Holder of a Short-Term Taxable Note not described in the preceding paragraph, including a cash-method taxpayer, must report interest income in accordance with the U.S. Holder’s regular method of tax accounting, unless such U.S. Holder irrevocably elects to accrue acquisition discount currently.

Note Premium

In general, if a Series B Note is originally issued for an issue price (excluding accrued interest) that reflects a premium over the sum of all amounts payable on the Series B Note other than “qualified stated interest” (a “Taxable Premium Note”), that Taxable Premium Note will be subject to Section 171 of the Code, relating to bond premium. In general, if the U.S. Holder of a Taxable Premium Note elects to amortize the premium as “amortizable bond premium” over the remaining term of the Taxable Premium Note, determined based on constant-yield principles (in certain cases involving a Taxable Premium Note callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the highest yield on such bond), the amortizable premium is treated as an offset to interest income; the U.S. Holder will make a corresponding adjustment to the U.S. Holder’s basis in the Taxable Premium Note. Any such election is generally irrevocable and applies to all debt instruments of the U.S. Holder (other than tax-exempt bonds) held at the beginning of the first taxable year to which the election applies and to all such debt instruments thereafter acquired. Under certain circumstances, the U.S. Holder of a Taxable Premium Note may realize a taxable gain upon disposition of the Taxable Premium Note even though it is sold or redeemed for an amount less than or equal to the U.S. Holder’s original acquisition cost.

Disposition and Defeasance

Generally, upon the sale, exchange, redemption, or other disposition (which would include a legal defeasance) of a Series B Note, a U.S. Holder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable to accrued interest not previously includable in income) and such U.S. Holder’s adjusted tax basis in the Series B Note.

The Village may cause the deposit of moneys or securities in escrow in such amount and manner as to cause the Series B Notes to be deemed to be no longer outstanding. For federal income tax purposes, such defeasance could result in a deemed exchange under Section 1001 of the Code and a recognition by such owner of taxable income or loss, without any corresponding receipt of moneys. In addition, the character and timing of receipt of payments on the Series B Notes subsequent to any such defeasance could also be affected.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to non-corporate holders of the Series B Notes with respect to payments of principal, payments of interest, and the accrual of OID on a Series B Note and the proceeds of the sale of a Series B Note before maturity within the United States. Backup withholding may apply to U.S. Holders of Series B Notes under Section 3406 of the Code. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner's United States federal income tax provided the required information is furnished to the Internal Revenue Service.

U.S. Holders

The term "U.S. Holder" means a beneficial owner of a Series B Note that is: (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to United States federal income taxation regardless of its source or (iv) a trust whose administration is subject to the primary jurisdiction of a United States court and which has one or more United States fiduciaries who have the authority to control all substantial decisions of the trust.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Series B Notes under state law and could affect the market price or marketability of the Series B Notes.

Prospective purchasers of the Series B Notes should consult their own tax advisors regarding the foregoing matters.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes will be subject to the respective final approving opinions of Hawkins Delafield & Wood LLP, Bond Counsel to the Village with respect to the Notes, the forms of which are set forth in Appendix C hereto.

DISCLOSURE UNDERTAKING

In order to assist the purchaser(s) 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 Notes, the Village will execute a Certificate to Provide Notices of Events for the Notes, the form of which is attached hereto as Appendix D.

RATING

The Village has not applied to Moody's Investors Service, Inc. ("Moody's") for a rating on the Notes.

On September 7, 2021, Moody's affirmed its "Aa3" rating on the Village's outstanding parity general obligation debt.

Such ratings reflect only the views of Moody's and any desired explanation of the significance of such ratings should be obtained from such rating agencies at the following address: Moody's Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007. There is no assurance that such ratings will continue for any given period of time or that one or more will not be revised downward or withdrawn entirely by the rating agency that issued it, if, in the judgment of such rating agency, circumstances so warrant. Any such

downward revision or withdrawal of any such rating may have an adverse effect on the market price of the the Notes.

MUNICIPAL ADVISOR

Capital Market Advisors, LLC, Great Neck and New York, New York (the “Municipal Advisor”), has served as the independent Municipal Advisor to the Village in connection with this transaction.

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

ADDITIONAL INFORMATION

Additional information may be obtained from Alicia Boudreau, Village Treasurer, 40 New Main Street, Haverstraw, New York 10927, (845) 429-0300, or from the Village’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 Village and the original purchasers or holders of any of the Notes.

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

The Village hereby disclaims any obligation to update developments of the various risk factors or to announce publicly any revision to any of the forward-looking statements contained herein or to make corrections to reflect future events or developments except to the extent required by Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Estimates and Forecasts. The statements contained in this Official Statement and the appendices hereto that are not purely historical are forward-looking statements. Such forward-looking statements can be identified, in some cases, by terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” “illustrate,” “example,” and “continue,” or the singular, plural, negative or other derivations of these or other comparable terms. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to such parties on the date of this Official Statement, and the Village assumes no obligation to update any such forward-looking statements. The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including, but not limited to, risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates

and possible changes or developments in various important factors. Accordingly, actual results may vary from the projections, forecasts and estimates contained in this Official Statement and such variations may be material.

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

VILLAGE OF HAVERSTRAW
ROCKLAND COUNTY, NEW YORK

By: _____
Alicia Boudreau
Village Treasurer

DATED: September __, 2023

APPENDIX A

THE VILLAGE

THE VILLAGE

General Information

The Village is located in the northeastern portion of Rockland County, approximately 35 miles north of New York City on the western bank of the Hudson River. The Village encompasses a land area of approximately 2.2 square miles, and is located within the Town of Haverstraw (the “Town”).

The Village is primarily residential in nature, with many residents commuting to work in New York City and throughout Rockland and Westchester Counties. In addition, the Village has a well-established base of commercial and light industries. Elementary, middle, and high school education is provided by the Haverstraw-Stony Point (North Rockland) Central School District.

Haverstraw Waterfront and Downtown Revitalization Project

The Village, in conjunction with Ginsburg Development LLC (GDC) has embarked on an extensive plan to reclaim its former industrial waterfront and transform it into a thriving mixed-use waterfront community. The Local Waterfront Revitalization Plan was adopted by the Village Trustees in 2003, and is currently being updated, focusing on the development of 1,000 units of residential housing along the waterfront. As of this date, over 500 units have been developed and are occupied. The development covers two waterfront peninsulas. The first, known as Harbors at Haverstraw, consists of 535 units split among townhouses, condominium flats and apartments. It was completed in early 2021. The second peninsula will consist of four residential rental buildings with 249 apartments. It is currently under construction. That peninsula is also occupied by the Haverstraw-Ossining Ferry, operated by NY Waterways on behalf of Metro-North and brings commuters to the Ossining Metro-North train station, connecting to New York City. The waterfront revitalization effort also included the creation of a mile and a half waterfront Promenade Park, as well as plans for additional waterfront development.

The Village and GDC have partnered with other local developers to revitalize the downtown area. Work has been completed on streetscape enhancements with new lighting, sidewalks, curbing, streets and street furniture. Other redevelopment projects will provide additional housing and promote retail activity. The Village-owned Chair Factory/Damiani site (11+ acres) has been RFP'd and MPact Developers has been chosen as the master developer of a mixed-use housing/retail/hospitality development.

Form of Government

The Village was established as a municipal government by the State of New York pursuant to the Village Law in 1854 and is vested with such powers and has the responsibilities inherent in the operation of municipal government including the adoption of rules and regulations to govern its affairs. In addition, the Village may tax real property situated in its boundaries and incur debt subject to the provision of the State's Local Finance Law.

The Village operates under a strong Mayor form of government. Under this form, the Mayor is the chief executive officer of the Village and directs the day-to-day operations of the Village. He is elected for a term of four years and is eligible to succeed himself. He is also a member of the Board of Trustees. In addition to the Mayor, there are four trustees who are elected for four-year terms.

Elected and Appointed Officials

The Village Board of Trustees is the legislative, appropriating, governing and policy determining body of the Village and consists of a mayor and four trustees, all of whom are elected at large to serve four-year terms. The number of terms which a Trustee may serve is not limited. It is the responsibility of the Board to enact, by resolution, all legislation including resolutions and local laws. Annual operating budgets for the Village must be approved by the Board; modifications and transfers between budgetary appropriations also must be authorized by the Board. The original issuance of all indebtedness is subject to approval by the Board.

The Mayor is the chief elected official of the Village and is elected for a four-year term of office with the right to succeed himself. In addition, the Mayor is a full member of and the presiding officer of the Board.

The Village Treasurer is appointed by the Mayor, subject to the approval of the Board of Trustees, to a four-year term and, pursuant to the Local Finance Law of the State, is the chief fiscal officer of the Village. Duties and responsibilities of the position include: collection of taxes, maintenance the Village's accounting systems and records, which includes the responsibility to prepare and file an annual report with the State Comptroller, custody and investment of Village funds, and debt management.

The Village Clerk is appointed by the Mayor, subject to approval by the Board, to a four-year term. The Clerk has custody of the corporate seal, books, records, and papers of the Village, and all the official reports and communications of the Board and keeps the records of their proceedings. The Clerk is responsible for maintaining the Village code of laws and ordinances as it relates to the codes for building, plumbing, electric, zoning, vehicle and traffic regulations, general ordinances, and issues various licenses and permits.

Village Services and Programs

The Village provides its residents with many of the services traditionally provided by municipal governments. In addition, the Town and County furnish certain other services. Services provided by the Village include: refuse collection; highway and public facilities maintenance; a local justice court that is responsible for enforcing provisions of the State's Vehicle and Traffic Law and local ordinances as well as having jurisdiction over certain civil and criminal matters; cultural and recreational activities including building code enforcement; and planning and zoning administration. Fire protection is furnished by a volunteer fire department. Polica and volunteer ambulance service is provided by the Town of Haverstraw. Vehicles and equipment for fire and emergency services are owned by the Village, but maintained by fire companies.

Pursuant to State law, the County, not the Village, is responsible for providing various social service and health care programs such as Medicaid, aid to the families with dependent children, home relief and mental health programs.

Employees

The Village employs 57 full-time and 74 part-time persons, some of whom are represented by the unions listed below, with 3 seasonal employees. The following table sets forth a breakdown of employee representation by collective bargaining agent and the date of expiration of the collective bargaining agreements.

<u>Employees</u>		
<u>Employees Represented</u>	<u>Union Representation</u>	<u>Contract Expiration Date</u>
25	Civil Service Employees Association	5/31/2024

Source: Village Officials.

Employee Pension Benefits

Substantially all employees of the Village are members of the New York State and Local Employees' Retirement System (the "Retirement System" or "ERS"). The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement and Social Security Law (the "Retirement System Law"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits for employees in retirement tiers 1-4 vest after 5 years of credited service. As of legislation enacted on April 9, 2022, Tier 5 and 6 members only need five years of service credit to be vested. This affects members of both ERS and PFRS. Previously, Tier 5 and 6 members needed 10 years of service to be eligible for a service retirement

benefit. Retirement System Law generally provides that all participating employers in the Retirement System are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. Except as noted below, all members hired on or after July 27, 1976 must contribute three percent of their gross annual salary toward the costs of retirement programs until they attain ten years in the Retirement System, at such time contributions become voluntary.

On December 10, 2009, the Governor signed in to law a new Tier 5. The law is effective for new ERS employees hired after January 1, 2010. New ERS employees will now contribute 3% of their salaries. There is no provision for these contributions to cease after a certain period of service.

On March 16, 2012, Governor Cuomo signed into law a new Tier 6 pension program, effective for new ERS employees hired after April 1, 2012. The Tier 6 legislation provides 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.

The New York State Retirement System has advised the Village 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. The Village opted to make its pension payments in December of the last six years in order to take advantage of the discount and made its pension payment in December 2022 for the payment due in February 2023. The Village plans to do so again in December 2023 for the payment due in February 2024.

The following table presents the required contributions by the Village to the New York Retirement Systems for the past five years:

<u>May 31</u>	<u>ERS</u>
2019	\$324,951
2020	321,871
2021	350,507
2022	394,102
2023	305,488

Other Post-Employment Benefits

The Village implemented GASB Statement No. 75 (“GASB 75”) of the Governmental Accounting Standards Board (“GASB”), which replaces GASB Statement No. 45 as of fiscal year ended June 30, 2018. GASB 75 requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and other non-pension benefits, known as other post-employment benefits (“OPEB”). GASB 75 generally requires that employers account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB similarly to GASB Statement No. 68 reporting requirements for pensions.

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

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

The Village's total OPEB liability as of May 31, 2022 was \$14,458,757 using a discount rate of 3.70% and actuarial assumptions and other inputs as described in the Village's May 31, 2022 audited financial statements.

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

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

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

Investment Policy and Permitted Investments

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

Village moneys not immediately required to be applied to a Village purpose may be temporarily invested in: (1) obligations of the United States of America; (2) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (3) obligations of the State of New York; (4) with the approval of the New York State Comptroller, in tax anticipation notes or revenue anticipation notes issued by any municipality, school district, or district corporation, other than those notes issued by the Village; (5) certificates of participation issued by political subdivisions of the State pursuant to Section 109-b(10) of the GML; (6) obligations of a New York public benefit corporation which are made lawful investments for municipalities pursuant to the enabling statute of such public benefit corporation; or (7) in the case of moneys held in certain reserve funds established by the Village pursuant to law, in obligations of the Village.

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

FINANCIAL FACTORS

COVID-19 Stimulus and Uses

On March 11, 2021, the federal government signed into law The American Rescue Plan (ARP) that addresses issues related to the ongoing COVID-19 pandemic. The ARP Act also creates new programs to address continuing pandemic-related crisis and fund recovery efforts. It provides significant funding to local governments and school districts in the State. As of the date of this Official Statement, there is still guidance being issued on how and for what these funds can be used. The funds must all be spent by December 31, 2026.

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

The Village received its first American Rescue Plan (ARP) payment of \$615,178.82 in July 2021 and received an equivalent sum in July 2022.

Budgetary Procedure

The Mayor is the budget officer of the Village and submits the tentative budget for the next fiscal year to the Board on or before March 20 of each year. The Board meets on or before March 31 to discuss and review the tentative budget and may make such changes and revisions as they deem appropriate subject to the provisions of law. A public hearing on the budget is held on or before April 15. Members of the public may express their views on the budget, but there is no provision for a formal vote. Following the public hearing, and on or before May 1, the Board meets to adopt the final budget. A copy of such budget must be filed with the Village Clerk and is available on or before May 1 for public inspection.

Budgetary control is the responsibility of the Village Treasurer. Formal integration of the budget with the accounting system is used during the year as a management tool for all governmental funds.

Independent Audits

The annual financial statements of the Village were audited by the firm of Korn, Rosenbaum, Phillips & Jauntig LLP, independent certified public accountants (“KRPJ”) and its successor firm, Berard & Associates CPA’s P.C. who absorbed KRPJ in January 2017. Appendix B to this Official Statement presents a summary of the audited financial statements for the fiscal years ended May 31, 2018 through 2022. The Village’s audited financial statements for the fiscal year ended May 31, 2023 are expected to be released in October, 2023.

Fund Structures and Accounts

The Village utilizes fund accounting to record and report its various service activities. A fund represents both legal and an accounting entity which segregates the transactions of specific programs in accordance with special regulations, restrictions or limitations.

There are two basic fund types: (1) governmental funds that are used to account for basic services, debt service and capital projects; and (2) fiduciary funds that account for assets held in a trustee capacity. Account groups, which do not represent funds, are used to record fixed assets and long-term obligations that are not accounted for in a specific fund.

The Village maintains the following governmental funds: General Fund, Special Aid Fund and Capital Projects Fund.

Basis of Accounting

The financial statements of the Village are prepared on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded in the accounting period in which they are "measurable" and "available" to finance current operations. Revenues susceptible to accrual include real property taxes, services to other governments, intergovernmental revenues and operating transfers. Expenditures are generally recognized under the modified accrual basis, when the related fund liability is incurred. Exceptions to this general rule are (1) payments to employee retirement systems which are recorded in the general long-term obligations account group and recognized as an expenditure when due, (2) unmatured interest on general long-term debt which is recognized as an expenditure when due and (3) compensated absences which are charged to expenditures when paid.

2017/2018 Audited Results

For the fiscal year ending May 31, 2018, based on audited results, General Fund revenues and other sources were \$9,597,808 and General Fund Expenditures and other uses were \$9,415,505, which resulted in an operating surplus of \$182,303 and a cumulative General Fund surplus of \$8,443,250 after adjusting for a change in accounting principles.

2018/2019 Audited Results

For the fiscal year ending May 31, 2019, based on audited results, General Fund revenues and other sources were \$16,474,453 and General Fund Expenditures and other uses were \$16,676,761, which resulted in an operating deficit of \$202,308 and a cumulative General Fund surplus of \$8,240,942.

2019/2020 Audited Results

For the fiscal year ending May 31, 2020, based on audited results, General Fund revenues and other sources were \$10,971,093 and General Fund Expenditures and other uses were \$10,130,331, which resulted in an operating surplus of \$840,762 and a cumulative General Fund surplus of \$9,081,704.

2020/2021 Audited Results

For the fiscal year ending May 31, 2021, based on audited results, General Fund revenues and other sources were \$10,787,259 and General Fund Expenditures and other uses were \$10,382,408, which resulted in an operating surplus of \$404,851 and a cumulative General Fund surplus of \$9,486,555.

2021/2022 Audited Results

For the fiscal year ending May 31, 2022, based on audited results, General Fund revenues and other sources were \$11,395,532 and General Fund Expenditures and other uses were \$10,874,593, which resulted in an operating surplus of \$520,939 and a cumulative General Fund surplus of \$10,007,494.

2022/2023 Adopted Budget

For the fiscal year ending May 31, 2023 the Village's Adopted Budget includes General Fund revenues of \$11,037,331 and General Fund Expenditures and other uses of \$11,037,331. The Village does not presently expect a material deviation from these budgeted numbers.

2023/2024 Adopted Budget

For the fiscal year ending May 31, 2024 the Village's Adopted Budget includes General Fund revenues of \$11,996,244 and General Fund Expenditures and other uses of \$11,996,244. The Village does not presently expect a material deviation from these budgeted numbers.

Real Property Taxes

The Village derives most of its revenues from a tax on real property. The following table sets forth total General Fund revenues and real property taxes received for each of the last five fiscal years ended May 31 and the amounts budgeted for the two most recent fiscal years.

<u>General Fund Revenues & Real Property Taxes</u>			
<u>Fiscal Year Ended May 31</u>	<u>Total Revenues⁽¹⁾</u>	<u>Real Property Taxes</u>	<u>Taxes to Revenues</u>
2018	\$ 9,597,808	\$7,319,225	76.3%
2019	10,180,386	7,490,228	73.6
2020	10,971,093	7,786,040	71.0
2021	10,787,259	7,907,692	73.3
2022	11,269,735	8,290,915	73.6
2023 (Adopted Budget)	11,037,331	8,222,084	74.5
2024 (Adopted Budget)	11,996,244	8,852,570	73.8

(1) General Fund.

Source: Audited Financial Statements and Adopted Budgets of the Village.

State Aid

The Village receives minimal financial assistance from the State. In its general fund budget for the 2024 fiscal year, approximately 1.4% of the revenues of the Village are estimated to be received in the form of State aid. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Village, in any year, the Village may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments. Additionally, if the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Village, may be affected by a delay in the payment of State aid.

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

While the Village has received State aid in recent years, both the determination of the amount of State aid and the apportionment of State aid are legislative acts and the State Legislature may amend or repeal the statutes relating to State aid and the formulas which determine the amount of State aid payable to the Village. The current or future financial condition of the State may affect the amount of State aid appropriated by the State Legislature.

The following table sets forth total General Fund revenues and State aid revenues received for each of the last five fiscal years ended May 31 and the amounts budgeted for the two most recent fiscal years.

General Fund Revenues & State Aid

<u>Fiscal Year Ended May 31</u>	<u>Total Revenues⁽¹⁾</u>	<u>State Aid</u>	<u>State Aid to Revenues</u>
2018	\$ 9,597,808	\$235,283	2.5%
2019	10,180,386	447,545	4.4
2020	10,971,093	501,592	4.6
2021	10,787,259	299,344	2.8
2022	11,269,735	473,668	4.2
2023 (Adopted Budget)	11,037,331	150,000	1.4
2024 (Adopted Budget)	11,996,244	170,000	1.4

(1) General Fund.

Source: Audited Financial Statements and Adopted Budgets of the Village.

TAX INFORMATION

Valuations and Tax Data

The following table shows the trend during the last five years for taxable assessed valuations, state equalization ratios, full valuations, real property taxes and real property tax rates per \$1,000 assessed valuation.

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
Assessed Value	\$41,144,532	\$41,437,017	\$40,711,534	\$41,750,406	\$41,856,968
Equal. Ratio	6.16%	5.74%	5.44%	5.23%	4.80%
Full Value	667,930,714	721,899,251	748,373,787	798,286,922	872,020,167
Tax Levy:	7,498,180	7,640,572	7,832,493	8,222,745	8,852,752
Tax Rate: ⁽¹⁾	182.84	184.39	192.39	196.95	211.50

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

Source: Village officials and the New York State Board of Real Property Services.

Tax Levy Limit Law

Prior to the enactment of Chapter 97 of the New York Laws of 2011, as amended (the “Tax Levy Limit Law”), all the taxable real property within the Village had been subject to the levy of ad valorem taxes to pay the bonds and notes of the Village and interest thereon without limitation as to rate or amount. However, the Tax Levy Limit Law imposes a tax levy limitation upon the Village for any fiscal year commencing after January 1, 2012, without providing an exclusion for debt service on obligations issued by the Village. As a result, the power of the Village to levy real estate taxes on all the taxable real property within the Village, without limitation as to rate or amount is subject to statutory limitations, according to the formulas set forth in Tax Levy Limit Law.

The following is a brief summary of certain relevant provisions of Tax Levy Limit Law. The summary is not complete and the full text of the Tax Levy Limit Law should be read in order to understand the details and implications thereof.

The Tax Levy Limit Law imposes a limitation on increases in the real property tax levy of the Village, subject to certain exceptions. The Tax Levy Limit Law permits the Village to increase its overall real property tax levy over the tax levy of the prior year by no more than the “Allowable Levy Growth Factor”, which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by: (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, with the result expressed as a decimal to four places. The Village is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limit Law sets forth certain exclusions to the real property tax levy limitation of the Village, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Village. The governing board of the Village may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the governing board of the Village first enacts, by a vote of at least sixty percent of the total voting power of the governing board of the Village, a local law to override such limit for such coming fiscal year. The Village has never exceeded the cap.

The Tax Levy Limit Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation bonds or notes of the Village or such indebtedness incurred after the effective date of the Tax Levy Limit Law. As such, there can be no assurances that the Tax Levy Limit Law will not come under legal challenge for violating (i) Article VIII, Section 12 of the State Constitution for not providing an exception for debt service on obligations issued prior to the enactment of the Tax Levy Limit Law, (ii) Article VIII, Section 10 of the State Constitution by effectively eliminating the exception for debt service to general real estate tax limitations, and (iii) Article VIII, Section 2 of the State Constitution by limiting the pledge of its faith and credit by a municipality or school district for the payment of debt service on obligations issued by such municipality or school district.

Tax Collection Procedures

Village real property taxes are levied on June 1 and may be paid without penalty during June. The Village is responsible for the billing and collection of its own taxes through November 1 of the tax year, at which time the responsibility for uncollected taxes is transferred to the County. On or about April 1, the County remits to the Village the balance of all uncollected taxes. The Village is thereby guaranteed full tax collection by the County. The County has responsibility for conducting tax lien sales and in-rem foreclosure proceedings.

Real Property Tax Levies and Collections

<u>Fiscal Year Ended May 31:</u>	<u>Gross Tax Levy</u>	<u>Current Taxes Collected</u>	<u>Percentage Current Taxes Collected</u>
2019	\$7,211,782	\$7,211,843	100.00%
2020	7,498,180	7,511,999	100.18
2021	7,640,572	7,636,114	99.94
2022	7,832,493	8,018,683	102.38
2023	8,222,745	8,216,974	99.93

Source: Village collection records.

Ten of the Largest Taxpayers in the Village

The following table presents the total 2023 assessed valuations of the Village’s largest property owners.

Taxable Assessments

<u>Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation⁽¹⁾</u>	<u>% of Total Assessed Valuation</u>
Harbors Haverstraw	Residential	\$1,601,800	3.83%
SUEZ Company	Utility	1,012,605	2.42
Orange & Rockland Utilities	Utility	1,011,363	2.42
Northern Riverview Health Care Center	Nursing Home & Assisted Living	972,000	2.32
Gurnee Housing Preservation	Residential	583,425	1.39
Tilcon Corp	Commercial	529,528	1.27
Low Tor Storage	Commercial	397,050	0.95
New York State	Forest	396,201	0.95
Yado, LLC	Residential	323,525	0.77
NRG Energy, Inc.	Utility	<u>284,850</u>	<u>0.68</u>
		<u>\$7,112,347</u>	<u>16.99%</u>

(1) Based on the 2022-23 assessment roll the total assessed value of the Village is estimated to be \$41,856,968.

VILLAGE INDEBTEDNESS

Constitutional and Statutory Requirements

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

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

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

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes, or to be paid 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 (as determined by statute) or, in the alternative, the weighted average period of probable usefulness of the several purposes for which it is contracted, unless the Village determines to issue debt amortized on the basis of substantially level or declining annual debt service. The Village is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and bond anticipation notes.

General. The Village is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such powers. As has been noted under “Nature of Obligation”, the State Legislature is prohibited by a specific constitutional provision from restricting the power of the Village to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limit Law imposes a

statutory limitation on the Village's power to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in the Tax Levy Limit Law. See "*Tax Levy Limit Law*" herein.

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

There is no constitutional limitation on the amount that may be raised by the Village by tax on real estate in any fiscal year to pay principal of and interest on all indebtedness. However, the Tax Levy Limit Law imposes a statutory limitation on the power of the Village to increase its annual tax levy. The amount of such increases is limited by the formulas set forth in the Tax Levy Limit Law. See "*Tax Levy Limit Law*" herein.

Statutory Procedure

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

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

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution, together with a statutory form of notice which, in effect, stops legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement. Except on rare occasion, the Village complies with this estoppel procedure.

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

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

In addition, under each bond resolution, the Village Board may delegate the power to issue and sell bonds and notes to the Village Clerk/Treasurer, the chief fiscal officer of the Village. The Village Board has made such a delegation with respect to the issuance of the Notes.

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

Constitutional Debt-Contracting Limitation

There is no constitutional limitation on the amount that may be raised by the Village by tax on real estate in any fiscal year to pay interest on or principal of indebtedness theretofore contracted.

The following table sets forth the current debt-contracting limitation of the Village as of August 22, 2023.

<u>Debt Contracting Limitation</u>			
<u>Fiscal Year Ended May 31:</u>	<u>Assessed Valuation</u>	<u>State Equalization Ratio⁽¹⁾</u>	<u>Full Valuation</u>
2020	\$41,144,532	6.16%	\$ 667,930,714
2021	41,437,017	5.74	721,899,251
2022	40,711,534	5.44	748,373,787
2023	41,750,406	5.23	798,286,922
2024	41,856,968	4.80	<u>872,020,167</u>
		Total	<u>\$3,808,510,841</u>
Average five-year full valuation:			<u>\$761,702,168</u>
Debt contracting limitation- 7% of average full valuation:			<u>\$53,319,151</u>

(1) Equalization rates are established by the New York State Board of Real Property Services.
Source: New York State Board of Real Property Services.

The following table, based on information furnished by the Village, presents the debt-incurring power of the Village and shows that the Village is within its constitutional debt limit.

<u>Statement of Debt-Contracting Power</u>	
(As of August 22, 2023)	
Debt-Contracting Limitation:	\$53,319,151
Gross Direct Indebtedness:	
Bonds:	
General Purpose	16,615,000
Bond Anticipation Notes:	
General Purpose	<u>4,066,000</u>
Total Gross Direct Indebtedness	<u>20,681,000</u>
Less Exclusions and Deductions:	
Appropriations	
During 2022/23 Fiscal Year	<u>1,435,000</u>
Total Net Direct Indebtedness	<u>\$19,246,000</u>
Debt-Contracting Margin	\$34,073,151
Percentage of Debt-Contracting Power Exhausted	36.10%

Tax and Revenue Anticipation Notes

The Village currently has no outstanding tax or revenue anticipation notes.

Bond Anticipation Notes

On September 15, 2022, the District issued \$2,065,000 Bond Anticipation Notes – 2022 Series A and \$2,001,000 Bond Anticipation Notes – 2022 Series B (Federally Taxable), which mature on September 15, 2023. A portion of the proceeds from the sale of the Series A Notes in the amount of \$2,033,000, together with \$32,000 in available funds, will be used to redeem the Village’s \$2,065,000 Bond Anticipation Notes – 2022 Series A at maturity. The proceeds from the sale of the Series B Notes, together with \$101,000 in available funds, will be used to redeem the Village’s \$2,001,000 Bond Anticipation Notes – 2022 Series B (Federally Taxable) at maturity.

Trend of Capital Indebtedness

The following table sets forth the amount of direct capital indebtedness outstanding for each of the last five audited fiscal years ended May 31 and the unaudited amount for the most recent fiscal year.

Statement of Outstanding Indebtedness
(As of May 31 of each year)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023⁽¹⁾</u>
Bonds:	\$23,000,000	\$21,525,000	\$20,020,000	\$17,935,000	\$16,615,000
Bond Anticipation Notes:	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,066,000</u>	<u>4,066,000</u>
Totals:	<u>\$23,000,000</u>	<u>\$21,525,000</u>	<u>\$20,020,000</u>	<u>\$22,001,000</u>	<u>\$20,681,000</u>

(1) Unaudited.

Source: Audited Financial Statements of the Village.

Future Capital Borrowings

Following the issuance of the Notes, the Village will have no authorized but unissued debt.

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Estimated Overlapping and Underlying Debt

The real property taxpayers of the Village are responsible for a proportionate share of outstanding debt obligations of the County, as well as various Villages, school districts, and fire districts. Such taxpayers' share of this overlapping debt is based upon the amount of the Village's equalized property values taken as a percentage of each separate units' total values. The following table sets forth both the total outstanding principal amount of debt issued by the Village and the approximate magnitude of the burden on taxable property in the Village of the debt issued and outstanding by such overlapping entities.

Statement of Direct and Estimated Overlapping Indebtedness

Gross Direct Indebtedness	\$20,681,000
Exclusions and Deductions	<u>1,435,000</u>
Net Direct Indebtedness	<u>\$19,246,000</u>

Overlapping Debt

<u>Issuer</u>	<u>Net Debt Outstanding</u>	<u>As of</u>	<u>Village Share</u>	<u>Amount Applicable To Village</u>
Rockland County	\$431,163,031	05/16/23	1.34%	\$ 5,777,585
Town of Haverstraw	21,545,000	04/13/23	13.00	2,800,850
Haverstraw-Stony Point CSD	177,400,000	12/27/22	8.00	<u>14,192,000</u>
Total Net Overlapping Debt				\$22,770,435
Total Net Direct Debt				<u>19,246,000</u>
Total Net Direct and Overlapping Debt				<u>\$42,016,435</u>

Debt Ratios

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

Debt Ratios

	<u>Amount</u>	<u>Debt Per Capita⁽¹⁾</u>	<u>Debt to Full Value⁽²⁾</u>
Net Direct Debt	\$19,246,000	\$1,561.80	2.21%
Net Direct and Overlapping Debt	42,016,435	3,409.59	4.82

(1) The population of the Village is 12,323 according to the 2020 U.S. Census.

(2) The full valuation of real property located in the Village for the 2022-2023 fiscal year is \$872,020,167.

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Debt Service Schedule

The following table shows the debt service requirements to maturity on the Village's outstanding bonded general obligation indebtedness, exclusive of refunded bonds.

Bond Principal and Interest Maturity Table

<u>Fiscal Year Ending May 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total⁽¹⁾</u>
2024 ⁽²⁾	\$ 1,435,000	\$ 636,746	\$ 2,071,746
2025	1,480,000	582,871	2,062,871
2026	1,290,000	530,758	1,820,758
2027	1,330,000	480,396	1,810,396
2028	1,090,000	432,646	1,522,646
2029	1,135,000	388,096	1,523,096
2030	1,175,000	342,583	1,517,583
2031	1,100,000	295,383	1,395,383
2032	475,000	260,833	735,833
2033	495,000	243,033	738,033
2034	505,000	224,483	729,483
2035	520,000	205,558	725,558
2036	540,000	185,928	725,928
2037	550,000	165,543	715,543
2038	570,000	144,437	714,437
2039	590,000	122,563	712,563
2040	615,000	99,405	714,405
2041	320,000	75,250	395,250
2042	330,000	61,250	391,250
2043	345,000	46,813	391,813
2044	355,000	31,719	386,719
2045	<u>370,000</u>	<u>16,188</u>	<u>386,188</u>
	<u>\$16,615,000</u>	<u>\$5,572,482</u>	<u>\$22,187,482</u>

(1) Off slightly due to rounding.

(2) For the entire fiscal year.

Source: Village officials.

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ECONOMIC AND DEMOGRAPHIC DATA

Population

The population of the Village is approximately 12,323 according to the U.S. Census. Data provided for the Town, County and State is not necessarily representative of the Village.

Population Trend

	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>Percentage Change 2010/2020</u>
Village	10,117	11,910	12,323	3.47%
Town	33,811	36,634	39,087	6.70
County	286,753	311,687	338,329	8.55
State	18,976,457	19,378,102	20,201,249	4.25

Source: US Census and American Community Survey 5- year Estimates.

Income

The following table presents and the median household income for the Town, County and State. Data provided for the Town, County and State is not necessarily representative of the Village.

Median Household Income

	<u>2000</u>	<u>2010</u>	<u>2020</u>
Town	\$53,850	\$66,633	\$77,388
County	67,971	82,534	94,840
State	43,393	55,603	71,117

Source: US Census and American Community Survey 5- year Estimates.

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Employment and Unemployment

The following tables provide information concerning employment and unemployment in the Town, County and State.

Large Commercial and Industrial Employers in the County

<u>Name</u>	<u>Industry or Business</u>	<u>Number of Employees</u>
Hamapik 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 2021 CAFR.

Data provided for the Town, County and State are not necessarily representative of the Village.

Civilian Labor Force

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Town	20,100	20,200	20,200	19,900	20,100
County	157,900	159,700	156,800	156,400	159,400
State	9,826,100	9,854,000	9,580,800	9,557,900	9,617,000

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

Data provided for the Town, County and State are not necessarily representative of the Village.

Yearly Average Unemployment Rates

<u>Year</u>	<u>Town</u>	<u>County</u>	<u>State</u>
2018	4.9%	3.7%	4.1%
2019	4.3	3.4	3.9
2020	10.3	7.7	9.8
2021	5.9	4.4	7.0
2022	3.6	2.8	4.3

Monthly Unemployment Rates

<u>Month</u>	<u>Town</u>	<u>County</u>	<u>State</u>
July 2022	3.7%	3.2%	4.3%
August	3.8	3.2	4.2
September	3.1	2.6	3.6
October	3.0	2.5	3.7
November	3.0	2.5	3.8
December 2023	2.9	2.4	3.8
January	4.2	3.2	4.6
February	4.1	3.0	4.5
March	3.6	2.6	4.0
April	2.6	2.1	3.7
May	3.1	2.5	3.8
June	3.5	2.8	4.2
July	N/A	N/A	4.1

Source: New York State Department of Labor, Division of Research and Statistics. Information not seasonally adjusted.

Utilities

The residents of the Village receive electricity and natural gas services from Orange and Rockland Utilities and water services from the Suez Water Company. The Village owns and operates its own sewer collection system, but relies on the Joint Regional Sewer Board for the treatment of such effluent.

Transportation

The Village is served by a network consisting of all major forms of transportation. Several primary State and U.S. Highways including the New York State Thruway, Palisades Interstate Parkway, Garden State Parkway, and Route #17 run through the County. The Coach USA Bus line as well as the Tor Bus Line provides transportation within the Village of Haverstraw. Freight service is provided by Conrail. Bus passenger service is provided to New York City and other points both within and outside the County. Air transportation is provided by the New York metropolitan airports (Kennedy, LaGuardia and Newark), Stewart International Airport in Newburgh, New York and Westchester County Airport in White Plains, New York.

Educational, Cultural and Medical Institutions

Primary education is provided by the Haverstraw-Stony Point Central School District (North Rockland Central School District). In addition, there are numerous colleges, universities and vocational schools located throughout the County. The Rockland County Community College (the “College”) in Suffern is a publicly supported two-year community college maintained by the County with an enrollment policy for high school graduates meeting certain residency requirements. The College also serves the Village with an extension site in the Village.

The Village has a public library (Haverstraw Kings Daughters Library), which sponsors various programs of general interest to adults and children throughout the year. In addition, Village residents are within an hour's drive of New York City's museums, theaters and other cultural activities.

Hospital services are provided by the Good Samaritan Hospital in Suffern, Nyack Health Center, Helen Hayes Hospital, Nyack Hospital in Nyack with locations in the Village. In addition, the County administers a variety of programs to help those in need of medical, mental health and dental services.

End of Appendix A

APPENDIX B

SUMMARY OF BUDGETS AND FINANCIAL STATEMENTS

VILLAGE OF HAVERSTRAW
Adopted Budgets - General Fund
Fiscal Year Ended May 31

	Adopted Budget <u>2023</u>	Adopted Budget <u>2024</u>
Revenues		
Real Property Taxes	\$8,222,084	\$8,852,570
Non-Property Tax Items	703,658	761,910
Departmental Income	458,000	441,600
Intergovernmental Charges	22,000	22,000
Use of Money & Property	95,100	201,891
Licenses & Permits	100,000	100,000
Fines and Forfeitures	180,000	210,000
Other Revenue	406,098	399,486
Appropriations	700,391	836,787
State Aid	150,000	170,000
Federal Aid	0	0
	\$11,037,331	\$11,996,244
Total Revenues	\$11,037,331	\$11,996,244
Expenditures		
General Government Support	\$2,250,098	\$2,568,088
Public Safety	832,424	870,268
Health	3,000	3,000
Transportation	2,098,714	2,206,092
Economic Assistance and Opportunity	34,000	25,500
Culture & Recreation	454,952	564,701
Home & Community Service	212,407	218,090
Interfund Transfers	379,767	410,813
Debt Service	2,075,153	2,345,249
Employee Benefits	2,696,816	2,784,443
	\$11,037,331	\$11,996,244
Total Expenditures	\$11,037,331	\$11,996,244

Source: Adopted Budgets of the Village.

VILLAGE OF HAVERSTRAW
Comparative Balance Sheets - General Fund
Fiscal Year Ended May 31

	<u>2021</u>	<u>2022</u>
Assets:		
Cash and Equivalents	\$4,868,806	\$5,822,814
Taxes Receivable	25,324	25,324
Other Receivables		
Accounts	299,729	236,991
Due From Other Funds	1,123,521	737,580
Due From Other Governments	86,587	73,936
Investments	3,994,729	4,141,295
Prepaid Expenditures	69,836	93,684
Total Assets	\$10,468,532	\$11,131,624
Liabilities and Fund Balance:		
Liabilities:		
Accounts Payable	\$299,197	\$332,059
Accrued Expenses	138,275	131,733
Due To Other Funds	426,068	30,950
Payroll Withholdings	5,486	6,030
Overpayments	0	19,858
Guaranty and Bid Deposits	600	2,280
State Payable - ARPA	0	486,802
Total Liabilities	\$869,626	\$1,009,712
Deferred Inflows of Resources	\$112,351	\$114,419
Fund Balance		
Non spendable	\$69,836	\$93,684
Restricted	3,580	4,178,474
Pension	3,994,729	0
Assigned	0	0
Unassigned	5,418,410	5,735,335
Total Fund Balance	9,486,555	10,007,493
Total Liabilities and Fund Balance	\$10,468,532	\$11,131,624

Source: Audited Financial Statements of the Village. Summaries not audited.

VILLAGE OF HAVERSTRAW
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
Fiscal Year Ended May 31:

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Revenues:</u>					
Real Property Taxes	\$7,319,225	\$7,490,228	\$7,786,040	\$7,907,692	\$8,290,915
Other Tax Items	400,373	388,638	145,295	175,184	123,884
Non-Property Taxes	584,162	594,011	575,185	606,908	637,819
Departmental Income	171,783	216,290	239,516	195,636	206,910
Intergovernmental Charges	18,113	22,803	22,213	21,504	25,177
Use of Money and Property	158,895	128,869	548,775	522,568	258,317
Miscellaneous	665,757	892,002	1,152,477	985,436	905,106
State Aid	235,283	447,545	501,592	299,344	473,668
Federal Aid	44,217	0	0	72,987	347,939
Total Revenues	\$9,597,808	\$10,180,386	\$10,971,093	\$10,787,259	\$11,269,735
<u>Expenditures</u>					
General Government Support:	\$1,759,905	\$3,162,052	\$1,711,464	\$1,846,661	\$1,964,518
Public Safety	674,354	701,842	920,154	768,094	782,099
Transportation	1,497,827	2,045,607	1,806,127	2,164,847	2,455,859
Economic Assistance and Opportunity	11,819	18,532	14,077	55,277	70,338
Culture and Recreation	380,589	326,201	353,662	328,074	556,609
Home and Community Services	90,248	484,453	315,901	127,877	170,171
Employee Benefits	2,288,075	2,240,502	2,251,478	2,245,833	2,342,637
Debt Service	2,329,058	7,697,572	2,272,880	2,259,439	2,192,559
Interfund Transfers	0	0	0	0	0
Total Expenditures	\$9,031,875	\$16,676,761	\$9,645,743	\$9,796,102	\$10,534,790
<u>Other Sources and Uses</u>					
Operating Transfers In	\$0	\$100,668	\$0	\$0	\$125,797
Operating Transfers Out	(383,630)	(306,601)	(484,588)	(586,306)	(339,803)
Proceeds from Serial Bonds/BANS	0	6,500,000	0	0	0
Other Debt	0	0	0	0	0
Total Other Financing Sources (Uses)	(\$383,630)	\$6,294,067	(\$484,588)	(\$586,306)	(\$214,006)
Excess (Def) of Revenues and Transfers Over Expenditures	\$182,303	(\$202,308)	\$840,762	\$404,851	\$520,939
Fund Balance-Beginning of Year	\$5,053,280	\$8,443,250	\$8,240,942	\$9,081,704	\$9,486,555
Cumulative Effect of Change in Account Principle	\$3,311,928	\$0	\$0	\$0	\$0
Prior Period Adjustments	(104,261)	0	0	0	0
Beginning Fund Balance Restated	\$8,260,947	\$8,443,250	\$8,240,942	\$9,081,704	\$9,486,555
Fund Balance-End of Year	\$8,443,250	\$8,240,942	\$9,081,704	\$9,486,555	\$10,007,494

Source: Audited Financial Statements of the Village. Summaries not audited.

APPENDIX C

**FORMS OF APPROVING LEGAL OPINION OF BOND COUNSEL
FOR THE NOTES**

Hawkins Delafield & Wood LLP
7 World Trade Center
250 Greenwich Street, 41st floor
New York, New York 10007

September 14, 2023

The Board of Trustees of the
Village of Haverstraw, in the
County of Rockland, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Village of Haverstraw (the “Village”), in the County of Rockland, New York, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the \$2,279,000 Bond Anticipation Notes-2023 Series A (the “Notes”) of the Village, dated and delivered on the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Notes are valid and legally binding general obligations of the Village for which the Village has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the Village is subject to the levy of ad valorem real estate taxes to pay the Notes and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Notes may be limited by bankruptcy, insolvency or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted.

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

The Code establishes certain requirements which must be met subsequent to the issuance of the Notes in order that the interest on the Notes be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Notes, restrictions on the investment of proceeds of the Notes prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such

requirements may cause the interest on the Notes to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of issuance of the Notes, the Village will execute a Tax Certificate relating to the Notes containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the Village represents that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that the interest on the Notes will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 2, we have relied upon and assumed (i) the material accuracy of the Village's representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of the interest on the Notes, and (ii) compliance by the Village with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Notes, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Notes.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement relating to the Notes or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the Village, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Notes.

Very truly yours,

Hawkins Delafield & Wood LLP
7 World Trade Center
250 Greenwich Street, 41st floor
New York, New York 10007

September 14, 2023

The Board of Trustees of the
Village of Haverstraw, in the
County of Rockland, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Village of Haverstraw (the “Village”), in the County of Rockland, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the Village’s \$1,900,000 Bond Anticipation Notes-2023 Series B (Federally Taxable) (the “Notes”) of the Village, dated and delivered on the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Notes are valid and legally binding general obligation of the Village for which the Village has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the Village is subject to the levy of ad valorem real estate taxes to pay the Notes and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Notes may be limited by bankruptcy, insolvency, or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted.

2. Interest on the Notes is included in gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended.

3. Under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Notes, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other

reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters relating to the Notes.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement of the Village relating to the Notes, or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relating to the Village, which have been or may be furnished or disclosed to purchasers of the Notes.

Very truly yours,

Hawkins Delafield & Wood LLP

APPENDIX D

FORM OF CERTIFICATE TO PROVIDE NOTICES OF EVENTS FOR THE NOTES

UNDERTAKING TO PROVIDE NOTICES OF EVENTS

Section 1. Definitions

“EMMA” shall mean the Electronic Municipal Market Access System implemented by the MSRB.

“Financial Obligation” shall mean “financial obligation” as such term is used in the Rule.

“GAAP” shall mean generally accepted accounting principles as in effect from time to time in the United States.

“Holder” shall mean any registered owner of the Securities and any beneficial owner of Securities within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934.

“Issuer” shall mean Village of Haverstraw, in the County of Rockland, a municipal corporation of the State of New York.

“MSRB” shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Purchaser” shall mean the financial institution referred to in the Certificate of Determination, executed by the Village Treasurer as of September 14, 2023.

“Rule 15c2-12” shall mean Rule 15c2-12 under the Securities Exchange Act of 1934, as amended through the date of this Undertaking, including any official interpretations thereof.

“Securities” shall mean the Issuer’s [\$2,279,000 Bond Anticipation Note-2023 Series A][\$1,900,000 Bond Anticipation Note-2023 Series B (Federally Taxable)], dated September 14, 2023, maturing on September 13, 2024, and delivered on the date hereof.

Section 2. Obligation to Provide Notices of Events. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided either directly or through **Capital Markets Advisors, LLC, 11 Grace Avenue, Suite 308, Great Neck, New York 11021**, to the Electronic Municipal Market Access (“EMMA”) System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of such Board contemplated by the Undertaking, in a timely manner, not in excess of ten (10) business days after the occurrence of any such event, notice of any of the following events with respect to the Securities:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;

- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Securities, or other events affecting the tax status of the Securities;
- (7) modifications to rights of Securities holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the Securities, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Issuer;

Note to clause (12): For the purposes of the event identified in clause (12) 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;

- (13) 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;

- (14) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) incurrence of a Financial Obligation of the 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 security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(b) Nothing herein shall be deemed to prevent the Issuer from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If the Issuer disseminates any such additional information, the Issuer shall have no obligation to update such information or include it in any future materials disseminated hereunder.

(c) Nothing herein shall be deemed to prevent the Issuer from providing 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 Securities; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

Section 3. Remedies. If the Issuer shall fail to comply with any provision of this Undertaking, then any Holder of Securities may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Undertaking against the Issuer and any of the officers, agents and employees of the Issuer, and may compel the Issuer or any such officers, agents or employees to perform and carry out their duties under this Undertaking; provided that the sole and exclusive remedy for breach of this Undertaking shall be an action to compel specific performance of the obligations of the Issuer hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances. Failure to comply with any provision of this Undertaking shall not constitute an event of default on the Securities.

Section 4. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with (b)(5) of the Rule and is delivered for the benefit of the Holders. No other person shall have any right to enforce the provisions hereof or any other rights hereunder.

Section 5. Amendments. Without the consent of any holders of Securities, the Issuer at any time and from time to time may enter into any amendments or changes to this Undertaking for any of the following purposes:

- (a) to comply with or conform to any changes in Rule 15c2-12 (whether required or optional);
- (b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;

- (c) to evidence the succession of another person to the Issuer and the assumption of any such successor of the duties of the Issuer hereunder;
- (d) to add to the duties of the Issuer for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuer;
- (e) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change;

provided that no such action pursuant to this Section 5 shall adversely affect the interests of the Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

Section 6. Termination. This Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Securities shall have been paid in full or the Securities shall have otherwise been paid or legally defeased in accordance with their terms. Upon any such legal defeasance, the Issuer shall provide notice of such defeasance to the EMMA System. Such notice shall state whether the Securities have been defeased to maturity or to redemption and the timing of such maturity or redemption.

Section 7. Undertaking to Constitute Written Agreement or Contract. This Undertaking shall constitute the written agreement or contract for the benefit of Holders of Securities, as contemplated under Rule 15c2-12.

Section 8. Governing Law. This Undertaking shall be governed by the laws of the State of New York determined without regard to principles of conflict of law.

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of September 14, 2023.

VILLAGE OF HAVERSTRAW, NEW YORK

By _____
Village Treasurer