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

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 15, 2020

NEW ISSUE - SERIAL BONDS **RATING: MOODY'S INVESTOR SERVICE: " "**
See "Bond Rating", herein

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Fire District, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Bonds 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 Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code. In addition, in the opinion of Bond Counsel, under existing statues, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York. See "Tax Matters" herein.

The Fire District will NOT designate the Bonds as "qualified tax-exempt obligations" pursuant to the provision of Section 265(b)(3) of the Code.

BEDFORD VILLAGE FIRE DISTRICT, IN THE TOWN OF BEDFORD WESTCHESTER COUNTY, NEW YORK

(the "Fire District")

$14,750,000 FIRE DISTRICT SERIAL BONDS – 2020

(the "Bonds")

SEE BOND MATURITY SCHEDULE HEREIN

The Bonds are general obligations of the Fire District and will contain a pledge of the faith and credit of the Fire District for the payment of the principal thereof and interest thereon and, unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied upon all the taxable real property within the Fire District, 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 Bonds maturing on November 15, 2028 and thereafter are subject to redemption prior to maturity, at the option of the Fire District, on November 15, 2027, and thereafter on any date, in accordance with terms described herein. (See "*Optional Redemption*" under "*THE BONDS*," herein.)

The Bonds will be issued as registered bonds and, at the option of the purchaser, the Bonds may be either (i) registered in the name of the purchaser or (ii) registered in the name of Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC") as book-entry bonds.

If the Bonds are registered in the name of the purchaser, a single bond certificate shall be issued for each maturity of the Bonds. Principal of and interest on such Bonds will be payable in Federal Funds by the Fire District, at such bank or trust company located and authorized to do business in the State of New York as selected by the successful bidder.

Any Bonds issued in book-entry form will be registered in the name of Cede & Co., as the partnership nominee for DTC, which will act as securities depository for the Bonds. Beneficial owners of book-entry bonds will not receive certificates representing their respective interests in the Bonds. Individual purchases may be made in denominations of $5,000 or integral multiples thereof. A single bond certificate will be issued for each maturity of the Bonds. Principal of and interest on said Bonds will be paid in Federal Funds by the Fire District to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its Participants (as herein after defined) for subsequent distribution to the beneficial owners of the Bonds as described herein. Transfer of principal and interest payments to Beneficial Owners (as hereinafter defined) by Participants of DTC will be the responsibility of such Participants and other nominees of Beneficial Owners. The Fire District will not be responsible or liable for payments by DTC to its Participants or by Direct Participants (as hereinafter defined) to Beneficial Owners or for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants. (See "*Description of Book-Entry System*" under "*THE BONDS*," herein).

Proposals for the Bonds will be received at 11:00 A.M. (Prevailing Time) on October 28, 2020 at the offices of Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776.

The Bonds are offered subject to the final approving opinion of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel, and certain other conditions. It is expected that delivery of the Bonds will be made through the facilities of DTC on or about November 16, 2020 in New York, New York.

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

BEDFORD VILLAGE FIRE DISTRICT,
IN THE TOWN OF BEDFORD
WESTCHESTER COUNTY, NEW YORK

$14,750,000 FIRE DISTRICT SERIAL BONDS – 2020

BOND MATURITY SCHEDULE

Dated: Date of Delivery

Principal Due: November 15, 2021-2050 inclusive
Interest Due: May 15, 2021, November 15, 2021 and semi-annually thereafter on May 15 and November 15 in each year to maturity

Amount*	Maturity	Rate	Price or Yield	CUSIP #
$ 335,000	2021			
345,000	2022			
355,000	2023			
360,000	2024			
370,000	2025			
380,000	2026			
390,000	2027			
400,000	2028**			
410,000	2029**			
420,000	2030**			
430,000	2031**			
440,000	2032**			
450,000	2033**			
465,000	2034**			
475,000	2035**			
485,000	2036**			
500,000	2037**			
510,000	2038**			
525,000	2039**			
535,000	2040**			
550,000	2041**			
565,000	2042**			
580,000	2043**			
595,000	2044**			
605,000	2045**			
625,000	2046**			
640,000	2047**			
655,000	2048**			
670,000	2049**			
685,000	2050**			

*Amounts are subject to adjustment by the Fire District following the sale, pursuant to the terms of the Notice of Sale relating to the Bonds, to achieve substantial level or declining annual debt service as provided in Section 58.00 (c)(2) of the Local Finance Law.
**Subject to redemption prior to maturity.

BEDFORD VILLAGE FIRE DISTRICT,
IN THE TOWN OF BEDFORD
WESTCHESTER COUNTY, NEW YORK

P.O. Box 230
34 Village Green
Bedford, New York 10506
Telephone: 914/234-3133

BOARD OF FIRE COMMISSIONERS

Heather Feldman, Chairman

Board Members

Keith Branche
Kyle Carleton – Deputy Chairman
Robert Mazurak
Paul Thommasett

Joseph Perez, Treasurer
Angela Sour, Secretary

FIRE DISTRCT ATTORNEY

Frank Simeone, Esq.
Kornfeld, Rew, Newman & Simeone

* * *

BOND COUNSEL

Hawkins Delafield & Wood LLP
New York, New York

* * *

MUNICIPAL ADVISOR

12 Roosevelt Avenue
Port Jefferson Station, N.Y. 11776
(631) 331-8888

E-mail: info@munistat.com
Website: http://www.munistat.com

No dealer, broker, salesman or other person has been authorized by the Fire District 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 Fire District. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Fire District 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 Fire District since the date hereof.

TABLE OF CONTENTS

Page

THE BONDS **1**
Description of the Bonds 1
Optional Redemption 2
Description of Book-Entry System 2
Certificated Bonds 4
Authorization and Purpose for the Bonds 4
Security and Source of Payment 4

REMEDIES UPON DEFAULT **5**

NO DEFAULT STATE **6**

BANKRUPTCY **6**

THE FIRE DISTRICT **6**
Description 6
Utilities and Other Services 6
Form of Government 7
Employees 7

ECONOMIC AND DEMOGRAPHIC INFORMATION **7**
Population Trends 7
Income Data 7
Unemployment Rates 8
Major Private Sector Employers in the County of Westchester 8

INDEBTEDNESS OF THE FIRE DISTRICT **8**
Statutory Procedure 9
Computation of Constitutional Debt Contracting Margin 10
Details of Short-Term Indebtedness Outstanding 10
Outstanding Long-Term Bond Indebtedness 10
Authorized but Unissued Debt 11
Calculation of Estimated Overlapping and Underlying Indebtedness 11
Debt Ratios 11

FINANCES OF THE FIRE DISTRICT **11**
Financial Statements and Accounting Procedures 11
Investment Policy 12
Service Award Program 12
Employee Pension System 13
Budgetary Procedures 14
Revenues 14
Real Property Taxes 14
Expenditures 14

TABLE OF CONTENTS

Page

TAX INFORMATION **14**
Real Property Taxes 14
Tax Collection Procedure 14
Tax Levy Limit Law 15
Valuations, Rates and Levies 15
Selected Listing of Large Taxable Properties 16

LITIGATION **16**

BONDHOLDER RISKS AND MARKET FACTORS AFFECTING FINANCINGS **16**
OF THE STATE AND MUNICIPALITIES OF THE STATE **16**

CYBERSECURITY **17**

TAX MATTERS **18**
Opinion of Bond Counsel 18
Certain Ongoing Federal Tax Requirements and Certifications 18
Certain Collateral Federal Tax Consequences 18
Original Issue Discount 19
Bond Premium 19
Information Reporting and Backup Withholding 19
Miscellaneous 20

LEGAL MATTERS **20**

DISCLOSURE UNDERTAKING **20**

BOND RATING **20**

MUNICIPAL ADVISOR **20**

ADDITIONAL INFORMATION **21**

APPENDIX A: FINIANCIAL INFORMATION
APPENDIX B: AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019
APPENDIX C: FORM OF BOND COUNSEL OPINION
APPENDIX D: FORM OF CONTINUING DISCLOSURE UNDERTAKING

OFFICIAL STATEMENT

BEDFORD VILLAGE FIRE DISTRICT, IN THE TOWN OF BEDFORD WESTCHESTER COUNTY, NEW YORK

$14,750,000 FIRE DISTRICT SERIAL BONDS – 2020

This Official Statement and the appendices hereto present certain information relating to the Bedford Village Fire District (the "Fire District"), in the Town of Bedford (the "Town"), in the County of Westchester, in the State of New York (the "County" and "State," respectively) in connection with the sale of $14,750,000 Fire District Serial Bonds – 2020 (the "Bonds") of the Fire District.

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

This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that are highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the Fire District's overall economic situation and outlook (and all of the specific District-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which are extremely difficult to predict and quantify. See "*BONDHOLDERS RISKS AND MARKET FACTORS AFFECTING FINANCINGS OF THE STATE AND MUNICIPALITIES OF THE STATE*" herein.

THE BONDS

Description of the Bonds

The Bonds will be dated the date of delivery, and will mature on November 15 in each of the years 2021 to 2050, inclusive, in the principal amounts as set forth on the inside cover page hereof. Interest on the Bonds will be payable on May 15, 2021, November 15, 2021 and semi-annually thereafter on May 15 and November 15 in each year to maturity.

The Bonds will be issued as registered bonds and, at the option of the purchaser, the Bonds may be either (i) registered in the name of the purchaser or (ii) registered in the name of Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC") as book-entry bonds.

If the Bonds are registered in the name of the purchaser, a single bond certificate shall be issued for each maturity of the Bonds. Principal of and interest on such Bonds will be payable in Federal Funds by the Fire District, at such bank or trust company located and authorized to do business in the State of New York as selected by the successful bidder.

The Bonds issued in book-entry form will be issued as registered bonds, and, when issued, will be registered in the name of Cede & Co., as the partnership nominee for DTC, which will act as securities depository for the Bonds. Beneficial owners will not receive certificates representing their respective interests in the Bonds. Individual purchases may be made in denominations of $5,000 or integral multiples thereof. A single bond certificate will be issued for each maturity of the Bonds. Principal of and interest on said Bonds will be paid in Federal Funds by the Fire District to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its Participants (as herein after defined) for subsequent distribution to the beneficial owners of the Bonds as described herein. Transfer of principal and interest payments to Beneficial Owners (as hereinafter defined) by Participants of DTC will be the responsibility of such Participants and other nominees of Beneficial Owners. The Fire District will not be responsible or liable for payments by DTC to its Participants or by Direct Participants (as hereinafter defined) to Beneficial Owners or for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants. (See "*Book-Entry-Only System*" under "*THE BONDS*," herein).

The Record Date of the Bonds will be the last day (whether or not a business day) of the calendar month immediately preceding each interest payment date.

The Fire District will act as Fiscal Agent for the Bonds issued in book-entry form. For those Bonds issued as certificated bonds, the purchaser will be, or named, Fiscal Agent. Fiscal Agent fees, if any, will be paid for by the purchaser. The Fire District's contact information is as follows: Fire District Treasurer, Bedford Village Fire District in the Town of Bedford, PO Box 230, 34 Village Green, Bedford, NY 10506, telephone number (914) 234-3133, email: commissioners@bedfordvillagefiredistrict.com.

Optional Redemption

The Bonds maturing on or before November 15, 2027 will not be subject to redemption prior to maturity. The Bonds maturing on November 15, 2028 and thereafter, will be subject to redemption prior to maturity, at the option of the Fire District, in whole or in part, and if in part, in any order of their maturity and in any amount within a maturity (selected by lot within a maturity), on any date on or after November 15, 2027, at the redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest to the date of redemption.

If less than all of any of the Bonds of any maturity are to be redeemed prior to maturity, the particular Bonds of such maturity to be redeemed shall be selected by the Fire District by lot in any customary manner of selection as determined by the Fire District. Notice of such call for redemption shall be given by mailing such notice to the registered owner at least thirty (30) days prior to the date set for such redemption. Notice of redemption having been given as aforesaid, the bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable together with interest to such redemption date. Interest shall cease to be paid thereon after such redemption date.

Description of Book-Entry System

If the Bonds are issued in book-entry form, DTC will act as Securities Depository for the Bonds issued in book-entry form. The Bonds will be issued as fully-registered securities, in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for each maturity of the Bonds and deposited with DTC.

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

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

Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to the Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

Principal and interest payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Fire District on the payable date, in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee) or the Fire District, 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 Fire District, 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 Securities Depository with respect to the Bonds at any time by giving reasonable notice to the Fire District or the Fire District may decide to discontinue use of the system of book-entry transfers through DTC. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered to the beneficial owners.

Source: The Depository Trust Company, New York, New York.

The information contained in the above section concerning DTC and DTC's book-entry system has been obtained from sample offering document language supplied by DTC, but the Fire District takes no responsibility for the accuracy thereof.

THE FIRE DISTRICT WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY PARTICIPANTS, OR ANY INDIRECT PARTICIPANT; (II) THE PAYMENT BY DTC OR ANY PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF OR INTEREST ON THE BONDS; (III) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO HOLDERS; (IV) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER.

THE FIRE DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC WILL DISTRIBUTE TO DIRECT PARTICIPANTS OR THAT DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (I) PAYMENTS OF THE PRINCIPAL OF OR INTEREST ON THE BONDS; (II) CONFIRMATION OF THEIR OWNERSHIP INTEREST IN THE BONDS; OR (III) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO. AS NOMINEE, AS REGISTERED OWNER OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SO SERVE AND ACT IN THE MANNER DESCRIBED IN THE OFFICIAL STATEMENT.

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the Fire District and discharging its responsibilities with respect thereto under applicable law, or the Fire District may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, and a replacement book-entry securities depository is not appointed, the Bonds will be issued in registered form in denominations of $5,000, or integral multiples thereof. Principal of and interest on the Bonds when due will be payable at the principal corporate trust office of a bank or trust company to be named by the Fire District as the fiscal agent; certificated Bonds may be transferred or exchanged at no cost to the owner of such bonds at any time prior to maturity at the corporate trust office of the fiscal agent for bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the certificate of the Fire District Treasurer authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law.

Authorization and Purpose for the Bonds

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Town Law and the Local Finance Law, and a bond resolution duly adopted by the Fire District Board of Commissioners on November 26, 2019, and approved as a proposition by a majority of the qualified voters of the Fire District voting thereon at the Special Election held on January 14, 2020, authorizing the issuance of bonds in the amount of $14,750,000 and the expenditure of $967,000 from a capital reserve fund, for the construction of a new fire station. The Bonds will finance the cost of the project.

Security and Source of Payment

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

The Bonds will be general obligations of the Fire District and will contain a pledge of the faith and credit of the Fire District for the payment of the principal thereof and the interest thereon. The pledge of the faith and credit of municipalities and school districts mandated by Article VIII, Section 2, of the New York Constitution was upheld by the Court of Appeals in several cases decided at the time of the New York City financial crisis in the 1970s and 1980s (see *Flushing National Bank* v. *Municipal Assistance Corporation for the City of New York*, 40 NY 2d 731 (1976) and subsequent cases). The opinion of the Court of Appeals in the *Flushing National Bank* decision states that "…an obligation containing a pledge of the City's 'faith and credit' is secured by a promise both to pay and to use in good faith the City's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words 'faith' and 'credit' are used and they are not tautological." In the words of the Court of Appeals, "That is what the words say and this is what the courts have held they mean…" is a clear statement as to the meaning of the pledge of faith and credit. Albeit the pledge of the faith and credit of a fire district (including the Fire District) is not constitutionally mandated, such pledge is required pursuant to the Local Finance Law (Section 100.00) for the incurrence of fire district indebtedness and should be accorded a similar judicial interpretation.

For the payment of such principal of and interest on the Bonds, the Fire District has the power and statutory authority to cause the levy of ad valorem taxes on all taxable real property in the Fire District, subject to certain statutory limitations imposed by the Tax Levy Limit Law. (See "*Tax Levy Limit Law*" herein).

Pursuant to the Section 100.00 of the New York State Local Finance Law, the Fire District is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds. The State is precluded from restricting the power of the Fire District to require the levy of 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 Fire District's power to cause an increase to its annual tax levy, unless the Fire District complies with certain procedural requirements to permit the Towns, on behalf of the Fire District, to levy certain year-to year increases in real property taxes. (See "*Tax Levy Limit Law*" herein).

REMEDIES UPON DEFAULT

Neither the Bonds, nor the proceedings with respect thereto, specifically provide any remedies which would be available to owners of the Bonds if the Fire District defaults in the payment of principal of or interest on the Bonds, nor do they contain any provisions for the appointment of a trustee to enforce the interests of the owners of the Bonds upon the occurrence of such default. Each Bond is a general obligation contract between the Fire District and the owner for which the faith and credit of the Fire District is pledged and while remedies for enforcement of payment are not expressly included in the Fire District's contract with such holders, 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. (See also "*Security and Source of Payment*" herein for discussion of the statutory (but not constitutional) mandate that a fire district, including the Fire District, pledge its faith and credit to the payment of its indebtedness.)

Upon default of the payment of principal of or interest on the Bonds, at suit of the owner, a Court has power in proper and appropriate proceedings to render a judgment against the Fire District. 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. Courts also have the power in proper and appropriate proceedings to order payment of a judgment on such Bonds from funds lawfully available therefor or, in the absence thereof, to order the Fire District to take all lawful action to obtain the same, including the inclusion of the required amount in the next request to the Town to place such amount in the next annual tax levy. In exercising its discretion as to whether to enter such an order, the Courts may take into account all relevant factors, including the current operating needs of the Fire District and the availability and adequacy of other remedies. Upon any default in the payment of the principal of or interest on a Bond, the owner of such Bond could, among other things, seek to obtain a writ of mandamus from a Court requiring the governing body of the Fire District to cause the assessment, levy and collection of an *ad valorem* tax, upon all property of the Fire District subject to taxation by the Fire District, sufficient to pay the principal of and interest on the Bonds as the same shall come due (and interest from the due date to date of payment) and otherwise to observe the covenants contained in the Bonds and the proceedings with respect thereto, all of which are included in the contract with the owners of the Bonds. 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 Bonds 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 holders of bonds and notes, 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*, 41 N.Y.2d 644 (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 Fire District.

Pursuant to Article VIII, Section 2 of the State Constitution, municipalities and school districts are required to provide an annual appropriation of monies for the payment of due 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 Constitutional provision providing for first revenue set aside does not apply by its terms to the Fire District. However, pursuant to Section 100.00 of the Local Finance Law, a fire district, including the Fire District, must pledge its faith and credit to the payment of its indebtedness.

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 in the State have upheld and sustained the rights of bondholders and/or noteholders, a Court might hold that future events, including a financial crisis as such may occur in the State or in any of its political subdivisions, including municipalities and fire districts 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 DEFAULT STATE

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

BANKRUPTCY

The Federal Bankruptcy Code (Chapter IX) allows public bodies, such as municipalities, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Title 6-A of the Local Finance Law specifically authorizes any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness. While this Local Finance Law provision does not apply to school districts and fire districts, there can be no assurance that it will not become applicable in the future. As such, the undertakings of the Fire District should be considered with reference, specifically, to Chapter IX, and, in general, to other bankruptcy laws affecting creditors' rights and municipalities. Bankruptcy proceedings by the Fire District if authorized by the State in the future could have adverse effects on bondholders and/or noteholders including (a) delay in the enforcement of their remedies, (b) subordination of their claims to those supplying goods and services to the Fire District 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.

The above references to said Chapter IX are not to be construed as an indication that the State will consent in the future to the right of the Fire District to 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 or that the Fire District is currently considering or expects to resort to the provisions of Chapter IX if authorized to do so in the future.

THE FIRE DISTRICT

Description

The Fire District was established in January 1923 with its headquarters being located at 34 Village Green, Bedford, New York. The mission of the Bedford Village Fire District is to facilitate fire, rescue, and ambulance services within the boundaries of the Fire District. The Fire District, comprising approximately 16.1 square miles (10,302 acres of land), is geographically situated in Bedford Village, one of the three hamlets of the Town of Bedford, Westchester County. The Fire District has approximately 60 active volunteer professionals who provide Fire and Emergency Medical services. Fire District population is currently estimated at 5,778.

Bedford Village is suburban residential in nature. Most residential development consists of single-family homes. Commercial facilities mainly include professional buildings and suburban shopping centers. Residents of the Fire District are served by the Harlem Division of the Metro North Railroad via rails stops in the adjoining Town of Bedford hamlets of Bedford Hills and Katonah. Highways serving the Fire District include the Interstate 684, and State Routes 22 and 172. The area is also covered by an extensive network of county and town roads. In total, 70.7 miles of roads are within the Fire District. In addition, public bus transportation is available in the area. Commercial airline service is available at the County airport. In addition, Fire District residents may also use LaGuardia, Kennedy, Newark and Stewart Airports, all of which can be reached within one hour by car.

Utilities and Other Services

Electricity, water, and other utilities are supplied by various providers including Consolidated Edison, New York State Electric and Gas ("NYSEG"), as well as local providers who are contracted to provide natural gas, propane, and other necessary utilities. Water is supplied through a mix of well and municipal sources, in tandem with waste services being through municipal sewer and septic. Police protection is provided by the Town of Bedford.

Form of Government

The Fire District is a district corporation established for the purpose of providing fire protection and responding to certain other emergencies. The Fire District was established as a district corporation and a political subdivision of the State and has the responsibilities inherent in the operation of such fire district including the adoption of rules and regulations to govern its affairs.

The Board of Fire Commissioners is the governing and policy determining body of the Fire District and consists of Five members, all of whom are elected to five-year terms on a staggered basis. The Chairman of the Board is elected by the Commissioners to a one-year term. The number of terms which may be served is not limited. The Board appoints a Secretary and a Treasurer, who is the chief fiscal officer of the Fire District, and a Fire District Attorney.

Employees

The Fire District has one full-time employee and two part-time employees consisting of a Treasurer and Secretary.

ECONOMIC AND DEMOGRAPHIC INFORMATION

Population Trends

The following table sets forth population statistics for the Town of Bedford, Westchester County and New York State.

Year	Town of Bedford	Westchester County	State of New York
1990	16,906	874,866	17,990,455
2000	18,133	923,459	18,976,457
2010	17,396	939,406	19,378,102
2018	17,831	968,815	19,618,453

Income Data

Income data are not available for the Fire District as such. The smallest area for which such statistics are available (which includes the Fire District) is the Town of Bedford. The information set forth below with respect to such Town is included for information purposes only. It should not be inferred from the inclusion of such data in this Statement that the Fire District is necessarily representative of the Town or vice versa.

	Per Capita Money Income			
	1990	2000	2010	2018[a]
Town of Bedford	$37,221	$53,046	$65,577	$76,408
County of Westchester	25,584	36,726	47,814	54,572
State of New York	16,501	23,389	30,791	37,470

	Median Household Income			
	1990	2000	2010	2018[a]
Town of Bedford	$78,161	$100,053	$109,742	$126,563
County of Westchester	48,405	63,582	79,619	92,758
State of New York	32,965	43,393	55,603	65,323

Source: United States Bureau of the Census

a. Based on American Community Survey 1-Year Estimates (2018)

Unemployment Rates

Annual Averages:	Westchester County (%)	New York State (%)
2015	4.6	5.3
2016	4.2	4.9
2017	4.6	4.7
2018	3.9	4.1
2019	3.8	4.0
2020 (8 Months)	9.4	10.7

Source: Department of Labor, State of New York

Major Private Sector Employers in the County of Westchester
(As of 2020)

Name	Business Activity
IBM Corp.	Computer Hardware & Software
Pepsico, Inc	Soft Drinks and Snack Foods
Consolidated Edison	Utility
Westchester Medical Center	Hospital & Healthcare
MasterCard	Credit Card Services
ITT Corp.	Water & Fluid Management
Regeneron Pharmaceuticals Inc.	Pharmaceuticals
New York Medical College	Medical College & Research
White Plains Hospital	Hospital & Healthcare
New York-Presbyterian	Hospital & Healthcare

Source: Westchester County Official Statement (2020)

INDEBTEDNESS OF THE FIRE DISTRICT

Constitutional Requirements. The New York State Constitution (Article VIII, Section 2) does not directly address the power of fire districts, including the Fire District, to contract indebtedness and the levy of taxes upon real estate in support thereof (although Article VIII, Section 3 thereof excludes, inter alia, fire districts from limitations imposed therein upon municipal or other corporations possessing the power to contract indebtedness or to levy or require the levy of taxes or benefit assessments upon real estate).

Local Finance Law Requirements. The New York State Local Finance Law limits the power of the Fire District (and municipalities, school and other fire districts of the State) to issue obligations and contract indebtedness. Such limitations include the following, in summary form, and are generally applicable to the Fire District and the Bonds.

Purpose and Pledge. Pursuant to the Local Finance Law, the Fire District 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 Fire District may contract indebtedness only for a Fire District 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 periods of probable usefulness of the objects or purposes as determined by statute or in the alternative, the weighted average period of probable usefulness of the several objects or purposes for which such indebtedness is to be contracted; no installment may be more than fifty per centum in excess of the smallest prior installment, unless the Fire District

has authorized the issuance of indebtedness having substantially level or declining annual debt service. The Fire District is required to provide an annual appropriation for the payment of interest due during the fiscal year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds, bond anticipation notes and capital notes.

General. The Fire District is subject to certain statutory limitations restricting the powers of the Fire District in the areas of taxation, assessment, borrowing money, contracting indebtedness and loaning the credit of the Fire District, so as to prevent abuses in the exercise of such powers. As has been noted under "*Security and Source of Payment*", the State Legislature is prohibited from restricting the power of the Fire District to cause the levy of 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 Fire District's power to increase its annual tax levy, unless the Fire District complies with certain procedural requirements to permit the Fire District to cause the levy of certain year-to-year increases in real property taxes. (See "*Tax Levy Limit Law*" herein).

Statutory Procedure

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

Pursuant to the Local Finance Law, the Fire District authorizes the issuance of bonded indebtedness by the adoption of a bond resolution approved by a vote of at least three-fifths of the entire membership of the Board of Fire Commissioners, which, pursuant to the Local Finance Law, is the finance board of the Fire District. All of such resolutions are subject to referendum.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, appropriates the requisite funds, authorizes the issuance of serial bonds to finance the appropriation, 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 to such object or purpose.

Each bond resolution also provides for the authorization of the issuance of bond anticipation notes prior to the issuance of the subject serial bonds. Statutory law in New York permits notes to be renewed each year provided that (i) amortization of principal commences within two years of the date of incurrence of the debt, and, (ii) such renewals do not (with certain exceptions) extend more than five years beyond the original date of borrowing. (See "*Payment and Maturity*" under "*Constitutional Requirements*" herein).

The Local Finance Law also provides for a twenty-day statute of limitations commenced by publication of the bond resolution or a summary thereof, following its effective date which, in effect, thereafter estops legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. The Local Finance Law also provides for a twenty-day statute of limitations after publication of a bond resolution (in summary or in full), together with a statutory notice which, in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. Except on rare occasions the Fire District complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

In addition, pursuant to the bond resolution, the Board of Fire Commissioners may delegate to the Fire District Treasurer, the chief fiscal officer of the Fire District, the power to issue and sell bonds and bond anticipation notes.

In general, the Local Finance Law contains similar provisions providing the Fire District with power to issue general obligation revenue anticipation notes, tax anticipation notes, deficiency notes and budget notes, subject to the prescribed statutory procedures and limitations.

Debt Limit. The Fire District has the power to contract indebtedness for any Fire District purpose authorized by the Legislature of the State so long as the aggregate principal amount thereof shall not exceed three per centum (3.00%) of the full valuation of taxable real property of the Fire District, except as otherwise provided by the New York Local Finance Law, and subject to certain enumerated exclusions and deductions such as cash or appropriations for principal of debt. The three per centum limit may be exceeded if the proposition for approval of the bond resolution is approved by a two-thirds vote of the qualified voters of the Fire District and the State Comptroller consents thereto. The method for determining full valuation is by taking the assessed valuation of taxable real property for the last completed assessment roll and applying thereto the ratio (equalization rate) which such assessed valuation bears to the full valuation; such ratio is determined by the State Board of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined.

There is no constitutional limitation on the amount that may be raised by the Fire District by tax on real estate in any fiscal year to pay principal and interest on all indebtedness. However, the Tax Levy Limit Law imposes a statutory limitation on the power of the Fire District to increase its annual tax levy, unless the Fire District complies with certain procedural requirements to permit the Fire District to cause the levy of certain year-to-year increases in real property taxes. (See "*Tax Levy Limit Law*" herein).

The following pages set forth certain details with respect to the indebtedness of the Fire District.

Computation of Constitutional Debt Contracting Margin
(As of October 15, 2020)

In Towns of:	Assessed Valuation	State Equalization Rate (%)	Full Valuation
Bedford (2019-2020)	$231,690,592	11.07	$2,092,959,277
Debt Limit - 3% of Full Valuation			$62,788,778
Inclusions:			
Outstanding Bonds			$0
Bond Anticipation Notes			0
Total Indebtedness			0
Exclusions			0
Total Net Indebtedness			0
Net Debt Contracting Margin			$62,788,778
Per Cent of Debt Contracting Margin Exhausted			0.00%

a. The assessed and full valuation only reflects the taxable real property in the Fire District. (See "*General Information*" under "*THE FIRE DISTRICT*" herein).

Details of Short-Term Indebtedness Outstanding

As of the date of this Official Statement, the Fire District has no short-term debt outstanding.

Outstanding Long-Term Bond Indebtedness

	Fiscal Year Ending December 31:				
	2015	2016	2017	2018	2019
Debt Outstanding End of Year:					
Bonds	$0	$0	$0	$0	$0
BANs	-	-	-		-
Total Debt Outstanding	$0	$0	$0	$0	$0

Authorized but Unissued Debt

The Fire District has authorized but unissued debt in the amount of $14,750,000 for the construction of a new fire station. The proceed of the Bonds, together with capital reserve funds, will be used to pay the cost of this project.

Calculation of Estimated Overlapping and Underlying Indebtedness

Overlapping Units	Date of Report	Percentage Applicable (%)	Applicable Total Indebtedness	Applicable Net Indebtedness
County of Westchester	04/01/2020	1.13	$13,848,067	$ 9,158,950
Town of Bedford	06/29/2020	40.00	15,536,000	9,931,500
Bedford CSD	01/22/2020	38.82	21,880,756	19,692,680
		Totals:	$51,264,823	$38,783,131

Sources: State Comptroller's Special Report on Municipal Affairs or more recently published Official Statements.

Debt Ratios
(As of October 15, 2020)

	Amount	Per Capita[a]	Percentage Of Full Value (%)[b]
Total Direct Debt	$ 0	$ 0	0.000
Net Direct Debt	0	0	0.000
Total Direct & Applicable Total Overlapping Debt	51,264,823	8,872	2.449
Net Direct & Applicable Net Overlapping Debt	38,783,131	6,712	1.853

a. The current estimated population of the Fire District is 5,778.
b. The 2019-2020 full valuation of taxable real property in the Fire District is $2,092,959,277

FINANCES OF THE FIRE DISTRICT

Financial Statements and Accounting Procedures

The Financial Statements of the Fire District are audited annually by an independent public accountant. For the fiscal year ending 2019, the audit was performed by the firm PFK O'Connor Davies, LLP. A copy of the audit for the fiscal year ending December 31, 2019 is attached hereto as Appendix B. In addition, the Fire District also prepares an unaudited Annual Financial Report Update Document ("AUD") that is filed with the State annually. The AUD is not audited and is not prepared in accordance with GAAP.

The Fire District complies with the Uniform System of Accounts as prescribed by the Department of Audit and Control of the State of New York. This system conforms with generally accepted accounting principles as promulgated in the American Institute of Certified Public Accountants' Industry Audit Guide. "Audits of State and Local Governmental Units", and codified in "Government Accounting, Auditing and Financial Reporting" (GAFFR), published by the National Committee on Government Accounting.

The Statements of Revenues, Expenditures and Changes in Fund Balances presented in Appendix A of this Statement are based on the Financial Statements for the 2015-2019 fiscal years.

Investment Policy

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

The Fire District may also temporarily invest moneys in: (1) obligations of the United States of America; (2) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (3) obligations of the State of New York; (4) with the approval of the New York State Comptroller, in tax anticipation notes or revenue anticipation notes issued by any municipality, school district, or district corporation, other than those notes issued by the Fire District, itself; (5) certificates of participation issued in connection with installment purchase agreements entered into 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 Fire District pursuant to law, in obligations of the Fire District.

All of the foregoing 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 obligations 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 Fire District, 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 by Section 10 of the GML.

The Board of Fire Commissioners of the Fire District has adopted an investment policy and such policy conforms with applicable laws of the State governing the deposit and investment of public moneys. All deposits and investments of the Fire District are made in accordance with such policy. A copy of the Fire District's Investment Policy is available upon request.

Service Award Program

As authorized under Article 11-A of the General Municipal Law of the State of New York, the Fire District participates in a Length of Service Award Program (LOSAP) for volunteer firefighters. This program provides pension-like benefits based on individual volunteer firefighting service.

A participant in the service award program receives a non-forfeitable right to a service award upon completing five "years of firefighting service." The sponsor of the program may provide for a shorter period to acquire a non-forfeitable right; however, every participant must acquire a 100% non-forfeitable right upon attaining "entitlement age" under the program. Subject to statutory limits, entitlement age is the age designated by the sponsor at which a participant is ordinarily entitled to begin receiving unreduced service award. Entitlement age may be no younger than fifty-five.

In general, a service award program must provide credit for a "year of firefighting service" for each year in which an active volunteer firefighter accumulated 50 points. Points are granted for the performance of certain activities in accordance with a system established by the sponsoring local government. The sponsor must select the activities and point values within statutorily prescribed limits. Subject to certain procedural requirements, a service awards program may also provide credit for up to five years of firefighting service rendered prior to the establishment of the program. Determinations of eligibility for the service credit are made, in the first instance by the governing board of the sponsor, based on information provided by fire company officials.

A service award program must be administered by the political subdivision which establishes the program, in accordance with standards and procedures established by the political subdivision. The governing board is required to engage the services of an actuary for the purpose of determining the sponsor's annual contribution to the program, which must be appropriated annually by the political subdivision.

The Fire District contributions to the LOSAP:

Fiscal Year Ending December 31:	LOSAP
2016	$46,895
2017	70,418
2018	79,002
2019	85,036
2020	93,187
2021 (Budgeted)	89,329

Employee Pension System

All eligible employees of the Fire District are members of the New York State and Local Employees' Retirement System (the "Retirement System"). 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 System and Social Security Law (the "Retirement Systems Law"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service for employees hired prior to January 1, 2010. The Retirement System Law generally provides that all participating employers in the Retirement Systems are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 must contribute three percent of their gross annual salary towards 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 into law the creation of a new Tier V, which is effective for new Retirement System employees hired after January 1, 2010 and before April 1, 2012. Retirement System employees in Tier V contribute 3% of their salaries and there is no provision for these contributions to cease for Tier V employees after a certain period of service. Additionally, on March 16, 2012, the Governor signed into law the new Tier VI pension program, effective for new Retirement System employees hired after April 1, 2012. The Tier VI 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 VI employees will vest in the system after ten years of employment and will continue to make employee contributions throughout employment.

It is anticipated that the employer contribution rate for the State's Retirement System in future years may be significantly higher than the minimum contribution rate established under applicable law. The Office of the New York State Comptroller has informed participating employers that due to the global economic crisis of 2008-2009, the rate of return of the pension fund experienced an unprecedented decline and consequently, for several years, contribution rates increased. The Employer Contribution Stabilization Program, signed into law on August 11, 2010 gives local governments the option to amortize a portion of annual pension costs. Amortizations are paid in equal installments over a ten-year period at an interest rate that is set annually. Under such legislation, local governments and school districts that choose to amortize will be required to set aside and reserve funds for certain future rate increases. The legislation also authorizes local governments and school district to establish reserve accounts to fund future payment increases that are a result of fluctuations in pension plan performance. The Fire District has not amortized any payments to the Retirement System and has no plans to do so in the foreseeable future. The Fire District will start contributing to the Employee Pension System in fiscal year 2022, which will include a lump sum payment for one current employee retroactive from 2006. As of the date of this statement the retroactive payment has not been determined and the Fire District has been in discussions with the State Pension Program. Indicative amounts have been determined and are not expect to be material relative to normal revenues and surpluses.

Budgetary Procedures

The Board of Fire Commissioners, with the assistance of the Fire District Treasurer, prepares a budget each year. The budget is then adopted by the Board as its final budget for the coming fiscal year. The budget is not subject to referendum unless the operating portion exceeds the limitations provided by law. The budget is submitted to the Town of Bedford and the Town is specifically prohibited from making any change in the Fire District budget, which is included in the Town budget. Following adoption by the Town Board such budget becomes the adopted budget of the Town, which levies and collects taxes for Fire District purposes. The Fire District's budget for fiscal year ending 2021 is expected to be completed during the week of October 19, 2020.

Revenues

The Fire District receives most of its revenue from a real property tax on all non-exempt real property situated within the Fire District. A summary of such revenues for the five most recently completed fiscal years and the amounts budgeted for 2020 may be found in Appendix A.

Real Property Taxes

See "*Tax Information*", herein.

Expenditures

A summary of such Expenditures for the five most recently completed fiscal years and the amounts budgeted for 2020 may be found in Appendix A.

TAX INFORMATION

Real Property Taxes

Methods and procedures to require the levy, collection and enforcement of this tax are governed by the Real Property Tax Law. Real property assessment rolls used by the Fire District are prepared by the Town of Bedford. Assessment valuations are determined by the Town assessor and the State Office of Real Property Services which is responsible for certain utility and railroad property. In addition, the State Office of Real Property Services annually establishes State Equalization Rates for all localities in the State, which are determined by statistical sampling of market sales/assessment studies. The equalization rates are used in the calculation and distribution of certain State aid and are used by many localities in the calculation or debt contracting and real property taxing limitations. The Fire District is not subject to constitutional real property taxing limitations. However, the Tax Levy Limit Law imposes a statutory limitation on the Fire District's power to increase its annual tax levy. As a result, the power of the Fire District to cause the levy of real estate taxes on all the taxable real property within the Fire District is subject to statutory limitations set forth in Tax Levy Limit Law.

The following table sets forth the percentage of the Fire District's General Fund revenue (excluding other financing sources) comprised of real property taxes for each of the fiscal years 2015 through 2019, inclusive and the amounts budgeted for the 2020 fiscal year.

Fiscal Year Ending December 31:	Total Revenue	Real Property Taxes	Real Property Taxes to Revenues (%)
2015	$ 979,720	$ 955,884	97.57
2016	1,096,430	960,412	87.59
2017	1,181,579	966,174	81.77
2018	996,378	983,850	98.74
2019	1,370,719	997,977	72.81
2020 (Budgeted)	1,015,309	1,015,309	100.00

Tax Collection Procedure

Real property taxes for the Fire District are levied by the Town and billed with taxes for County and Town purposes. Fire District taxes are collected by the Town beginning on April 1. Such taxes may be paid without interest during the month of April. Thereafter, tax payments must include interest computed at 1% per month or fraction thereof from April 1. The Fire District tax levy is satisfied from the first tax moneys received by the Town and the Town is obligated to pay the Fire District its full amount of it tax levy in each year. Accordingly, the Fire District receives 100% of its tax levy each year (on or about May 5th). The Town is responsible for collection and enforcement of the tax levy.

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 Fire District had been subject to the levy of ad valorem taxes to pay the bonds and notes of the Fire District and interest thereon without limitation as to rate or amount. However, the Tax Levy Limit Law imposes a tax levy limitation upon the Fire District for any fiscal year commencing after January 1, 2012, without providing an exclusion for debt service on obligations issued by the Fire District. As a result, the power of the Fire District to cause the levy of real estate taxes on all the taxable real property within the Fire District, to pay the principal of and interest on the Bonds, is subject to the statutory limitations imposed by the 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 Fire District, subject to certain exceptions. The Tax Levy Limit Law permits the Fire District 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 Fire District is required to calculate its tax levy limit for the upcoming year in accordance with the provisions 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 Fire District, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Fire District. The Board of Fire Commissioners of the Fire District can adopt a resolution, approved by a vote of sixty percent of the total voting power of the Board of Fire Commissioners, to override the tax levy limit for a given year.

There can be no assurances that the Tax Levy Limit Law will not come under legal challenge for violating applicable law (i) for not providing an exception for debt service on obligations issued prior to the enactment of the Tax Levy Limit Law, (ii) by effectively eliminating the exception for debt service to general real estate tax limitations**,** and (iii) by limiting the pledge of its faith and credit by a fire district for the payment of debt service on obligations issued by such fire district because 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 Fire District or such indebtedness incurred after the effective date of the Tax Levy Limit Law.

Valuations, Rates and Levies

A summary of Valuations and Levies may be found in Appendix A.

Selected Listing of Large Taxable Properties
2019-20 Assessment Roll

Name	Assessed Valuation
Black	$2,934,900
Solomon	1,885,400
The Foxfield Trust	1,777,725
168 Cantitoe Street LLC	1,500,100
Bedford Golf and Tennis Club	1,402,870
BCR Holdings LLC	1,296,760
Con Edison Company of NY	1,203,985
Sunnyfield Farm Inc	1,146,950
Rudman	1,099,200
Marsal	1,072,800
Total	$15,320,690

a. Represents 6.61% of the 2019-20 Assessed Valuation of the Fire District.

LITIGATION

In common with other fire districts, the Fire District from time to time may receive notices of claim and is party to litigation. Currently, in the opinion of the Fire District attorney, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no claims or actions pending in which the Fire District has not asserted and/or has the ability to assert a substantial and adequate defense, if determined against the Fire District, would have a substantial adverse material effect on the financial condition of the Fire District

Further, there is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the Fire District, threatened against or affecting the Fire District to restrain or enjoin the issuance, sale or delivery of the Bonds or any proceedings or authority of the Fire District taken with respect to the authorization, issuance or sale of the Bonds or contesting the corporate existence or boundaries of the Fire District.

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

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 Fire District's credit rating could be affected by circumstances beyond the Fire District'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 Fire District 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 Fire District's credit rating could adversely affect the market value of the Bonds.

If and when an owner of any of the Bonds should elect to sell a Bond prior to its 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 Bonds. The market value of the Bonds is dependent upon the ability of holder to potentially incur a capital loss if such Bond is sold prior to its 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 Bonds. 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 Fire District to arrange for additional borrowing(s) as well as the market for and market value of outstanding debt obligations, including the Bonds, could be adversely affected.

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 District's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Currently, the COVID-19 outbreak has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to continue to affect economic growth worldwide. The outbreak caused the Federal government to declare a national state of emergency, which was followed by the enactment of a variety of stimulus measures designed to address financial stability and liquidity issues caused by the outbreak. The State also declared a state of emergency and the Governor has taken and continues to take steps designed to mitigate the spread and impacts of COVID-19. Efforts to contain the spread of COVID-19 has reduced the spread of the virus in some areas and there have been recent efforts to relax some of the restrictions put in place following the initial outbreak. Nevertheless, the outbreak of COVID-19 and the dramatic steps taken by the Federal government and State to address it are expected to negatively impact federal and local economies, including the economy of the State. The full impact of COVID-19 on the State's operations and financial condition is not expected to be known for some time. Similarly, the degree of the impact to the District's operations and finances as a result of COVID-19 is extremely difficult to predict due to the uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions have been or may continue to be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The spread of the outbreak or resurgence later in the year could have a material adverse effect on the State and municipalities and school districts located in the State, including the District. The District is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. (See "*State Aid*" and "*Events Affecting New York School Districts*" herein).

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 Bonds, for income taxation purposes could have an adverse effect on the market value of the Bonds (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 Fire District, without providing exclusion for debt service on obligations issued by municipalities and fire districts, including the Fire District, may affect the market price and/or marketability for the Bonds. (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 Fire District could impair the financial condition of such entities, including the Fire District and the ability of such entities, including the Fire District, to pay debt service on their respective obligations.

CYBERSECURITY

The Fire District, 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 Fire District 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 Fire District invests in various forms of cybersecurity and operational controls; however, no assurances can be given that such security and operational control measures will be completely successful to guard against cyber threats and attacks. To mitigate such risk the Fire District has contracted with an outside technology firm to assist in the prevention detection and remediation of any such attacks. In addition, the Fire District maintains an insurance policy covering cyber liability. The results of any such attack could impact business operations and/or damage Fire District digital networks and systems and the costs of remedying any such damage could be substantial.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Fire District, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Bonds 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 Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code. The Tax Certificate of the Fire District (the "Tax Certificate"), which will be delivered concurrently with the delivery of the Bonds 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 Fire District in connection with the Bonds, and Bond Counsel has assumed compliance by the Fire District 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 Bonds from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel to the Fire District, under existing statutes, interest on the Bonds 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 Bonds, 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 Bonds.

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 Bonds in order that interest on the Bonds 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 Bonds, 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 Bonds 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 Fire District, in executing the Tax Certificate, will certify to the effect that the Fire District 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 Bonds 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 Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Bond. 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 Bonds.

Prospective owners of the Bonds 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 Bonds 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 Bond (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 Bonds. In general, the issue price for each maturity of Bonds is expected to be the initial public offering price set forth on the cover page of the Official Statement. Bond Counsel further is of the opinion that, for any Bonds having OID (a "Discount Bond"), OID that has accrued and is properly allocable to the owners of the Discount Bonds 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 Bonds.

In general, under Section 1288 of the Code, OID on a Discount Bond 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 Bond. An owner's adjusted basis in a Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Discount Bond. 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 Bond even though there will not be a corresponding cash payment.

Owners of Discount Bonds 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 Bonds.

Bond Premium

In general, if an owner acquires a bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the bond after the acquisition date (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates), that premium constitutes "bond premium" on that bond (a "Premium Bond"). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner's yield over the remaining term of the Premium Bond, determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such Bond). An owner of a Premium Bond 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 Bond, 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 Bond may realize a taxable gain upon disposition of the Premium Bond 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 Bond 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 Bonds.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest on tax-exempt obligations, including the Bonds. 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 Bond 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 Bonds 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 Bonds under federal or state law or otherwise prevent beneficial owners of the Bonds 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 Bonds.

Prospective bondholders should consult their own tax advisors regarding the foregoing matters.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds will be subject to the final approving opinion of Hawkins Delafield & Wood LLP, Bond Counsel, the form of which is set forth in Appendix C.

DISCLOSURE UNDERTAKING

In order to assist the purchasers of the Bonds in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the Fire District will execute an undertaking to provide continuing disclosure, the form of which is attached hereto as Appendix D.

BOND RATING

The Fire District has applied to Moody's Investors Service ("Moody's"), 7 WTC at Greenwich Street, New York, NY, Phone: (212) 553-4055 and Fax: (212) 298-6761, for a rating on the Bonds. Such application is pending at this time. The rating reflects only the view of such rating agency and an explanation of the significance of such rating should be obtained from the respective rating agency. There can be no assurance that such rating will not be revised or withdrawn, if in the judgement of agency circumstances so warrant. Any change or withdrawal of such rating may have an adverse effect on the market price and the availability of a secondary market for the outstanding bonds and notes of the Fire District.

MUNICIPAL ADVISOR

Munistat Services, Inc. (the "Municipal Advisor"), is a Municipal Advisor, registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent municipal advisor to the Fire District on matters relating to debt management. The Municipal Advisor is a municipal advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Bonds and has reviewed and commented on certain documents, including this Official Statement. The advice on the plan of financing and the structuring of the Bonds was based on materials provided by the Fire District and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Fire District or the information set forth in this Official Statement or any other information available to the Fire District with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement.

ADDITIONAL INFORMATION

Additional information may be obtained upon request from the Fire District Treasurer, Bedford Village Fire District in the Town of Bedford, PO Box 230, 34 Village Green, Bedford, NY 10506, telephone number (914) 234-3133, email: commissioners@bedfordvillagefiredistrict.com or from the office of Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776, telephone number 631/331-8888 and website: http://www.munistat.com.

Munistat Services, Inc. may place a copy of this Official Statement on its website at www.munistat.com. 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. Munistat Services, Inc. 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 Fire District nor Munistat Services, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Munistat Services, Inc. and the Fire District 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. Munistat Services, Inc. and the Fire District also assume no liability or responsibility for any errors or omissions or for any updates to dated website information. Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be, in fact, realized. This Official Statement is not to be construed as a contract or agreement between the Fire District and the original purchasers or owners of any of the Bonds.

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

The preparation and distribution of this Official Statement has been authorized by the bond resolution of the Fire District which delegate to the Fire District Treasurer the power to sell and issue the Bonds.

BEDFORD VILLAGE FIRE DISTRICT,
IN THE TOWN OF BEDFORD, NEW YORK

By _____
Joseph Perez
Fire District Treasurer
Bedford Village Fire District, in the Town of Bedford,
New York

October , 2020

APPENDIX A

FINIANCIAL INFORMATION

Statement of Revenues, Expenditures & Changes in Fund Balance

General Fund

	Fiscal Year Ending December 31:				
	2015	2016	2017	2018	2019
Revenues					
Real Property Taxes	$ 955,884	$ 960,412	$ 966,174	$ 983,850	$ 997,977
Use of Money and Property	2,495	70,554	208,690	(75,338)	363,786
Sale of property and compensation for Loss	21,325	40,440	1,450	12,528	6,916
Sponsor contributions receivable		23,523			
Miscellaneous	16	1,501	5,265		2,040
Total Revenues	979,720	1,096,430	1,181,579	921,040	1,370,719
Expenditures					
Public Safety	414,030	504,100	1,547,078	1,297,973	1,061,593
Employee Benefits	120,054	157,763	81,795	83,599	82,327
Decrease in fair value of investments		22,434			
General Government support					5,530
Total Expenditures	534,084	684,297	1,628,873	1,381,572	1,149,450
Excess (Deficiency) of Revenues Over Expenditures & Other Uses	445,636	412,133	(447,294)	(460,532)	221,269
Fund Equity Beginning of Year	2,357,999	2,803,635	4,714,773	4,267,479	3,806,947
Prior Period Adjustment[a]		1,499,005			
Fund Equity End of Year	$ 2,803,635	$ 4,714,773	$ 4,267,479	$ 3,806,947	$ 4,028,216

Note: This Schedule is not Audited.
Source: Audited Financial Statements (2015-2019)

[a]Cummalative Effect of Change in accounting principle as a result of implementing the requirements of GASB Statement No. 73

Balance Sheet
Fiscal Year Ended December 31:

	2018	2019
ASSETS:		
Cash and equivalents	$ 2,290,094	$ 2,187,181
Investments	1,509,110	1,835,701
Prepaid expenditures	28,959	33,464
	$ 3,828,163	$ 4,056,346
LIABILITIES:		
Accounts payable & Accrued Liabilitie	$ 21,216	$ 28,130
Total Liabilities	21,216	28,130
FUND EQUITY:		
Nonspendable	28,959	33,464
Restricted	3,684,598	3,953,508
Assigned	93,390	41,244
Total Fund Equity	3,806,947	4,028,216
Total Liabilities and Fund Equity	$ 3,828,163	$ 4,056,346

Source: Audited Financial Statements (2018-2019)
Note: This Schedule is not Audited.

BUDGET SUMMARY

		2020
Revenues:		
Real Property Taxes	$	1,015,309
Projected Rental Income		
	$	1,015,309
Expenditures		
Personel Services	$	101,669
Contractual Expenditures		375,875
Equipment		62,000
Service Award Programs		93,187
FICA-Medicare		7,778
Employee Benefits		84,800
Fund Transfers		290,000
Total Expenditures	$	1,015,309

Source: Adopted Budget of the Fire District.

FINANCIAL INFORMATION

Valuations, Tax Levies and Tax Rates

		2016	2017	2018	2019	2020
Town of Bedford:						
Assessed Valuation	$	228,402,709	229,785,790	230,389,111	231,302,527	231,690,592
Equalization Rate		10.22%	10.50%	10.24%	10.90%	11.07%
Full Valuation		2,234,860,166	2,188,436,095	2,249,893,662	2,122,041,532	2,092,959,277
Tax Levy	$	960,412	966,174	983,150	997,977	1,015,309

BEDFORD VILLAGE FIRE DISTRICT,
IN THE TOWN OF BEDFORD

APPENDIX B

AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019

NOTE: SUCH FINANCIAL REPORT AND OPINIONS WERE PREPARED AS OF THE DATE THEREOF AND HAVE NOT BEEN REVIEWED AND/OR UPDATED IN CONNECTION WITH THE PREPARATION AND DISSEMINATION OF THIS OFFICIAL STATEMENT. CONSENT OF THE AUDITORS HAS NOT BEEN REQUESTED OR OBTAINED.

Bedford Village Fire District, New York

Financial Statements
and Supplementary Information

December 31, 2019

Bedford Village Fire District, New York

Table of Contents

	Page
Independent Auditors' Report	1
Management's Discussion and Analysis	4
Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements	
Balance Sheet - General Fund	11
Reconciliation of the General Fund Balance Sheet to the Government-Wide Statement of Net Position	12
Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the General Fund to the Statement of Activities	14
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	15
Notes to Financial Statements	16
Required Supplementary Information	
Length of Service Awards Program	
Schedule of Changes in Total Pension Liability and Related Ratios	32
Combining and Individual Fund Financial Statements and Schedules	
Governmental Fund	
General Fund	
Combining Balance Sheet – Sub-Funds	33
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Sub-Funds	34
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	35
Schedule of Expenditures Compared to Budget	36
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*	37

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Independent Auditors' Report

Board of Fire Commissioners
Bedford Village Fire District, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Bedford Village Fire District, New York ("District") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2019, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 5 in the notes to financial statements, on March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of COVID-19 ("Coronavirus"). Our opinion is not modified with respect to this matter

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Schedule included under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit for the year ended December 31, 2019 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules for the year ended December 31, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2019 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2019.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the District as of and for the year ended December 31, 2018 (not presented herein), and have issued our report thereon dated June 20, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities and each major fund. The combining and individual fund financial statements and schedules for the year ended December 31, 2018 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2018 financial statements. The combining and individual fund financial statements and schedules have been subjected to

the auditing procedures applied in the audit of the 2018 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2018.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated June 19, 2020 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

PFK O'Connor Davies, LLP
Harrison, New York
June 19, 2020

Introduction

This discussion and analysis of the Bedford Village Fire District, New York, ("District") financial statements provides an overview of the financial activities of the District for the year ended December 31, 2019. Please read it in conjunction with the basic financial statements and the accompanying notes to those statements that follow this section.

Financial Highlights for Fiscal Year 2019

- On the government-wide financial statements, the assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2019 by $4,894,542. Of this amount, the unrestricted net position is $(361,868).
- As of the close of the current fiscal year, the District's General Fund reported an ending fund balance of $4,028,216, which represents an increase of $221,269 from fiscal year 2018. Of the $4,028,216, $3,953,508 is restricted for the purchase of apparatus and equipment, buildings and grounds and repairs. The District reports no unassigned fund balance.

Overview of the Financial Statements

This MD&A serves as an introduction to the basic financial statements and provides analysis and overview of the District's financial activities. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also includes other supplementary information as listed in the table of contents.

Government-Wide Financial Statements

The *government-wide financial statements* are presented in a manner similar to private-sector business financial statements. The statements are prepared using the accrual basis of accounting. The government-wide financial statements include two statements: Statement of Net Position and Statement of Activities.

The *Statement of Net Position* presents the District's total assets and liabilities and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in the net position may serve as a useful indicator as to whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing the change in the District's net position during the most recent fiscal year. All revenues and expenses are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. The focus of this statement is on the net cost of providing various services to the citizens of the District.

The government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues ("*governmental activities").* The governmental activities of the District include public safety.

Fund Financial Statements

A fund is an accounting entity with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures, as appropriate. Government resources are allocated to and accounted for in an individual fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled**.** The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. All of the funds of the District are governmental funds.

Governmental Funds: Most of the basic services provided by the District are financed and accounted for through governmental funds. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year. This information is useful in determining the District's financing requirements for the subsequent fiscal period. Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. From this comparison, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The District Has One Governmental Fund: The General Fund.

The District adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for this fund to demonstrate compliance with the respective budget.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the basic financial statements section of this report.

Other Information

Additional statements and schedules can be found immediately following the notes to financial statements. These include the budget to actual comparisons.

Government-Wide Financial Analysis

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $4,894,542 for fiscal year 2019, an increase of $326,605 from 2018.

The following table reflects the condensed Statements of Net Position as of December 31:

	2019	2018
Current assets	$ 2,220,645	$ 2,319,053
Investments	1,835,701	1,509,110
Capital assets, net	3,231,790	3,093,780
Total Assets	7,288,136	6,921,943
Deferred Outflows of Resources	291,379	300,118
Current liabilities	28,130	21,216
Noncurrent liabilities	2,421,930	2,511,767
Total liabilities	2,450,060	2,532,983
Deferred Inflows of Resources	234,913	121,141
Net Position		
Net investment in capital assets	3,231,790	3,093,780
Restricted	2,024,620	2,090,452
Unrestricted	(361,868)	(616,295)
Total Net Position	$ 4,894,542	$ 4,567,937

A large component of the District's net position is net investment in capital assets of $3,231,790 or 66% which reflects the District's investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its citizens and consequently, these assets are not available for future spending. The District currently has no debt outstanding.

The restricted net position of $2,024,620, or 41%, represents resources that are subject to external restrictions on their use. The restriction is for the purchase of apparatus and equipment, buildings and grounds, and repairs.

The remaining balance of $(361,868) is unrestricted. This represents an increase of $254,427 from 2018. At the end of the current fiscal year, the District is able to report positive net position balances for the government as a whole as well as for its government activities.

Changes in Net Position
Years Ended December 31,

	2019	2018
Program Revenues		
Operating grants and contributions	$ 363,432	$ (75,781)
General Revenues		
Real property taxes	997,977	983,850
Unrestricted use of money and property	354	443
Sale of property and compensation for loss	6,916	12,528
Miscellaneous	2,040	-
Total General Revenues	1,007,287	996,821
Total Revenues	1,370,719	921,040
Program Expenses		
General government support	5,530	-
Public safety	1,038,584	1,053,777
Total Expenses	1,044,114	1,053,777
Change in Net Position	326,605	(132,737)
Net Position - Beginning of Year	4,567,937	4,700,674
Net Position - Ending of Year	$ 4,894,542	$ 4,567,937

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's general fund reported an ending fund balance of $4,028,216 , an increase of $221,269 from 2018. Of the $4,028,216 the unassigned fund balance is $0. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed for prepaid expenditures ($33,464) and for the purchases of apparatus and equipment, building and grounds, repairs, and length of service awards program ($3,953,508).

Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2019, amounted to $3,231,790 (net of accumulated depreciation). This investment in capital assets includes land, construction-in-progress, land improvements, buildings and improvements and machinery and equipment.

Capital Assets
December 31,
(Net of Accumulated Depreciation)

	2019	2018
Land	$ 1,017,526	$ 1,000,001
Construction-in-progress	623,197	288,793
Land improvements	5,227	5,842
Buildings and improvements	77,166	84,268
Machinery and equipment	1,508,674	1,714,876
Total	$ 3,231,790	$ 3,093,780

Additional information on the District's capital assets can be found in Note 3 in the notes to financial statements.

Requests for Information

This financial report is designed to provide a general overview of the District’s finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Secretary/Treasurer, Bedford Village Fire District, New York, Post Office Box 230, Bedford, New York 10506.

Bedford Village Fire District, New York

Statement of Net Position
December 31, 2019

	Governmental Activities
ASSETS	
Cash and equivalents	$ 2,187,181
Investments	1,835,701
Prepaid expenses	33,464
Capital assets	
Not being depreciated	1,640,723
Being depreciated, net	1,591,067
Total Assets	7,288,136
DEFERRED OUTFLOWS OF RESOURCES	291,379
LIABILITIES	
Accounts payable and accrued liabilities	28,130
Noncurrent liabilities	
Due in more than one year	2,421,930
Total Liabilities	2,450,060
DEFERRED INFLOWS OF RESOURCES	234,913
NET POSITION	
Net investment in capital assets	3,231,790
Restricted for	
Purchase of apparatus and equipment	1,013,714
Purchase of buildings and grounds	977,670
Repairs	33,236
Unrestricted	(361,868)
Total Net Position	$ 4,894,542

The notes to the financial statements are an integral part of this statement.

Bedford Village Fire District, New York

Statement of Activities
Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental activities			
General government support	$ 5,530	$ -	$ (5,530)
Public safety	1,038,584	363,432	(675,152)
Total Governmental Activities	$ 1,044,114	$ 363,432	$ (680,682)
General Revenues			
Real property taxes			997,977
Unrestricted use of money and property			354
Sale of property and compensation for loss			6,916
Miscellaneous			2,040
Total General Revenues			1,007,287
Change in Net Position			326,605
NET POSITION			
Beginning of year			4,567,937
Ending of year			$ 4,894,542

The notes to the financial statements are an integral part of this statement.

Bedford Village Fire District, New York

Balance Sheet
General Fund
December 31, 2019

ASSETS		
Cash and equivalents	$	2,187,181
Investments		1,835,701
Prepaid expenditures		33,464
Total Assets	$	4,056,346
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable and accrued liabilities	$	28,130
Fund Balances		
Nonspendable		33,464
Restricted		3,953,508
Assigned		41,244
Total Fund Balances		4,028,216
Total Liabilities and Fund Balances	$	4,056,346

The notes to the financial statements are an integral part of this statement.

Bedford Village Fire District, New York

Reconciliation of the General Fund Balance Sheet to the
Government-Wide Statement of Net Position
December 31, 2019

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because	
Fund Balances - General Fund	$ 4,028,216
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	3,231,790
Governmental funds do not report the effect of assets or liabilities related to pension liabilities	
Deferred amounts on pension liabilities	56,466
Long-term liabilities that are not due and payable in the current period, are therefore, are not reported in the funds and therefore	
LOSAP total pension liability	(2,421,930)
Net Position of Governmental Activities	$ 4,894,542

The notes to the financial statements are an integral part of this statement.

Bedford Village Fire District, New York

Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
Year Ended December 31, 2019

REVENUES		
Real property taxes	$	997,977
Use of money and property		363,786
Sale of property and compensation for loss		6,916
Miscellaneous		2,040
Total Revenues		1,370,719
EXPENDITURES		
General government support		5,530
Public safety		1,061,593
Employee benefits		82,327
Total Expenditures		1,149,450
Excess of Revenues Over Expenditures		221,269
FUND BALANCE		
Beginning of Year		3,806,947
End of Year	$	4,028,216

The notes to the financial statements are an integral part of this statement.

Bedford Village Fire District, New York

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balance of the General Fund to the Statement of Activities
Year Ended December 31, 2019

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because

Net Change in Fund Balances - Total Governmental Fund	$ 221,269
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay expenditures	392,213
Depreciation expense	(254,203)
	138,010
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
LOSAP total pension liability	(32,674)
Change in Net Position of Governmental Activities	$ 326,605

The notes to the financial statements are an integral part of this statement.

Bedford Village Fire District, New York

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	$ 997,977	$ 997,977	$ 997,977	$ -
Use of money and property	-	-	363,786	363,786
Sale of property and compensation for loss	-	-	6,916	6,916
Miscellaneous	-	-	2,040	2,040
Total Revenues	997,977	997,977	1,370,719	372,742
EXPENDITURES				
General government support	-	5,530	5,530	-
Public safety	567,375	1,030,675	1,061,593	(30,918)
Employee benefits	195,602	182,354	82,327	100,027
Total Expenditures	762,977	1,218,559	1,149,450	69,109
Excess (Deficiency) of Revenues Over Expenditures	235,000	(220,582)	221,269	441,851
FUND BALANCE				
Beginning of Year	(235,000)	220,582	3,806,947	3,586,365
End of Year	$ -	$ -	$ 4,028,216	$ 4,028,216

The notes to the financial statements are an integral part of this statement.

Note 1 - Summary of Significant Accounting Policies

The Bedford Village Fire District, New York, ("District") operates in accordance with various applicable laws of the State of New York. The Board of Fire Commissioners ("Board") is the legislative body responsible for the overall operation of the District. The members of the Board are elected by the taxpayers of the District. The primary function of the District is to provide fire protection services to residents of the District.

The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the District's more significant accounting policies:

A. Financial Reporting Entity

The financial reporting entity consists of a) the primary government which is the District, b) organizations for which the District is financially accountable and c) other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the District's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the District as a whole. The effect of inter-fund activity has been removed from these statements.

The Statement of Net Position presents the financial position of the District at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The District does not allocate indirect expenses to functions in the Statement of Activities.

Note 1 - Summary of Significant Accounting Policies (Continued)

C. Fund Financial Statements

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The District maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The District's resources are reflected in the fund financial statements in one broad fund category, in accordance with generally accepted accounting principles as follows:

Fund Categories

Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following is the District's governmental fund:

General Fund - The General Fund is the primary operating fund of the District and is used to account for and report all financial resources not accounted for and reported in another fund.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Note 1 - Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the current *financial resources measurement focus and the modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. However, expenditures related to total pension liability are recorded only when payment is due. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances

Cash and Equivalents, Investments and Risk Disclosure

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The District's deposits and investment policies are governed by State statutes. The District has adopted its own written investment policy to provide for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The District is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal Deposit Insurance. The District has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Investments - (except Length of Service Award Investments) Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The District follows the provisions of GASB Statement No. 72, "*Fair Value Measurements and Application",* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Note 1 - Summary of Significant Accounting Policies (Continued)

Investments of the Length of Service Award program are invested in accordance with a statutory prudent person rule and in accordance with an investment policy adopted by the District. The detail of those investments and their related risk are described in Note 3A.

Risk Disclosure

Interest Rate Risk - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Other than Investments of the Length of Service Award Program, the District does not invest in any long-term investment obligations.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. GASB Statement No. 40, "*Deposits and Investments Risk Disclosures – an amendment of GASB Statement No. 3*", directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the District's name. The District's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2019.

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The District does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

Concentration of Credit Risk - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The District's investment policy limits the amount on deposit at each of its banking institutions.

Taxes Receivable - Real property taxes attach as an enforceable lien on real property and are levied on January 1st. The Town of Bedford, New York ("Town") collects the District's taxes which are due April 1st and payable without penalty to April 30th. The Town remits the entire levy to the District in accordance with a mutually agreed upon payment schedule.

Inventory - There are no inventory values presented in the balance sheet of the District. Purchases of inventoriable items are recorded as expenditures at the time of purchase and year-end balances are not material.

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of miscellaneous costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods. Reported amounts in the fund financial statements are equally offset by nonspendable fund balance, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Note 1 - Summary of Significant Accounting Policies (Continued)

Capital Assets - Capital assets, which include property, plant and equipment are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $2,500 and an estimated useful life of at least five years. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant and equipment of the District are depreciated using the straight line method over the following estimated useful lives.

Class	Life in Years
Land improvements	20
Buildings and improvements	10-39
Machinery and equipment	5-10

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheet.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Deferred outflows and inflows of resources have been reported on the government-wide Statement of Net Position for the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Total Pension Liability - Length of Service Awards Program	$ 291,379	$ 234,913

Note 1 - Summary of Significant Accounting Policies (Continued)

LOSAP Pension Liability - The LOSAP pension liability represents the District's liability for its Length of Service Awards program ("LOSAP"). The financial reporting of this amount is presented in accordance with the provisions of GASB Statement No. 73, "*Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement No. 68 and Amendments to Certain Provisions of GASB Statement Nos. 67 and 68*" that establishes requirements for defined benefit pensions that are not within the scope of GASB Statement No. 68.

Net Position - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. Net position on the Statement of Net Position includes net investment in capital assets and restricted for the purchase of apparatus and equipment, buildings and grounds and repairs. The balance is classified as unrestricted.

Fund Balances - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

Nonspendable fund balance, includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance, is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law of the State of New York.

Committed fund balance, is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The District's Board is the highest level of decision-making authority for the District that can by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the entity's governing board.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the District Board for amounts assigned for balancing the subsequent year's budget or the Treasurer for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that action does not normally have to be taken for removal of an assignment and cannot result in a deficit in the unassigned fund

Note 1 - Summary of Significant Accounting Policies (Continued)

balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities, and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

In order to calculate the amounts to report as restricted and unrestricted fund balance in governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the District's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the District's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities. The District has no outstanding encumbrances at year end.

G. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/ expenses during the reporting period. Actual results could differ from those estimates.

H. Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is June 19, 2020.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

The District follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

- The District budget shall be in the form described in Section 107 of Town Law and shall be adopted in the manner provided in Section 181 of Town Law.

- On or before the 21st day prior to the budget hearing, the Board of Fire Commissioners must adopt the proposed budget, file a copy with the District's secretary and post the budget on the District's website, if they maintain one.

- No sooner than the 20th day prior to the budget hearing, the District must post a notice of the budget hearing for 15 days on the District's website, if they maintain one, and sign board and provide a copy of the notice of the budget hearing to the Town Clerk of the Town in which the District is located and in which the District contracts.

- On or before 15 days prior to the budget hearing, the District must publish a notice of the budget hearing in its official newspaper, post a published notice on the District's website, if they maintain one, and provide a copy of the proposed budget for public inspection to the Town Clerk of the Town in which the District is located.

- On the 3rd Tuesday in October, the Board of Fire Commissioners shall hold a public hearing to discuss the contents of the proposed budget. The hearing shall be conducted and scheduled in a manner that maximizes participation. At such hearing, any person may be heard in favor of or against the proposed budget as compiled, or for or against any item or items therein contained.

- After the public hearing, the Board of Fire Commissioners may adopt changes, alterations and revisions to the proposed budget, except that the Board of Fire Commissioners shall not add or increase an appropriation to a capital reserve fund not contained in the proposed budget.

- On or before November 4th, the Board of the Fire Commissioners shall adopt the District's annual budget.

- On or before November 7th, the District's secretary shall deliver two certified copies of the District's annual budget to the Town Clerk of the Town in which the District is located.

- Formal budgetary integration is employed during the year as a management control device for the General Fund.

- The District's General Fund budget is legally adopted annually on a basis consistent with generally accepted accounting principles.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- The Board of Fire Commissioners has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Fire Commissioners. Any modifications to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.

- General Fund appropriations lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year.

  Budgeted amounts are as originally adopted, or as amended by the Board of Fire Commissioners.

B. Property Tax Limitation

The District is not limited as to the maximum amount of real property taxes which may be raised. However, Chapter 97 of the Laws of 2011, as amended ("Tax Levy Limitation Law") modified previous law by imposing a limit on the amount of real property taxes that may be levied by a District in a particular year.

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

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the District 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 with the result expressed as a decimal to four places. The District 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 Limitation Law sets forth certain exclusions to the real property tax levy limitation of the District, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the District. The District Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the District first enacts, by a vote of at least sixty percent of the total voting power of the District, a local law to override such limit for such coming fiscal year.

C. Expenditure Limitation

The District, pursuant to Section 176 (18) of Town Law, is subject to an expenditure limitation. The limitation is calculated on a formula which includes the full value of taxable real estate and certain statutory exclusions. The 2019 computation indicates that the District has not exceeded the statutory limitation.

Note 3 - Detailed Notes on All Funds and Account Groups

A. Investments

As of December 31, the District had the following investments and average maturities:

Type of Investment	Fair Value	N/A	1-5 Years	5-10 Years
Bond funds	$ 461,202	$ -	$ 315,930	$ 145,272
U.S. and International Equities funds	1,198,502	1,198,502	-	-
Common Stocks	153,337	153,337	-	-
Money market and bank deposits	22,660	22,660	-	-
	$ 1,835,701	$ 1,374,499	$ 315,930	$ 145,272

The investments had the following average credit ratings:

Type of Investment	Fair Value	N/A	A or better	BB
Bond funds	$ 461,202	$ -	$ 215,130	$ 145,272
U.S. and International Equities funds	1,198,502	1,198,502	-	-
Common Stocks	153,337	153,337	-	-
Money market and bank deposits	22,660	22,660	-	-
	$ 1,835,701	$ 1,374,499	$ 215,130	$ 145,272

All of the District's investments listed above are valued using level one inputs. The District's investment policy calls for a minimum bond rating of BB and a maximum maturity of 10 years.

B. Capital Assets

Changes in the District's capital assets are as follows:

	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019
Capital assets, not being depreciated:				
Land	$ 1,000,001	$ 17,525	$ -	$ 1,017,526
Construction-in-progress	288,793	334,404	-	623,197
Total Capital Assets, not being depreciated	$ 1,288,794	$ 351,929	$ -	$ 1,640,723
Capital assets, being depreciated:				
Land improvements	$ 22,622	$ -	$ -	$ 22,622
Buildings and improvements	325,340	-	-	325,340
Machinery and equipment	3,813,018	40,284	14,569	3,838,733
Total Capital Assets, being depreciated	4,160,980	40,284	14,569	4,186,695

Note 3 - Detailed Notes on All Funds and Account Groups *(Continued)*

	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019
Less Accumulated Depreciation for:				
Land improvements	$ 16,780	$ 615	$ -	$ 17,395
Buildings and improvements	241,072	7,102	-	248,174
Machinery and equipment	2,098,142	246,486	14,569	2,330,059
Total Accumulated Depreciation	2,355,994	254,203	14,569	2,595,628
Total Capital Assets, being depreciated, net	$ 1,804,986	$ (213,919)	$ -	$ 1,591,067
Capital Assets, net	$ 3,093,780	$ 138,010	$ -	$ 3,231,790

Depreciation expense of $254,203 was charged to the District's function of public safety.

C. Long-Term Liabilities

The following table summarizes changes in the District's long-term indebtedness for the year ended December 31, 2019:

	Balance January 1, 2019	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2019	Due Within One Year
LOSAP total pension liability	$ 2,511,767	$ 1,123	$ 90,960	$ 2,421,930	$ -

Length of Service Awards Program

The District's financial statements are for the year ended December 31, 2019. The information contained in this note is based on information for the District's Length of Service Awards Program for the program year ending on December 31, 2018, which is the most recent program year for which complete information is available.

Plan description

The District established a defined benefit Length of Service Award Program (referred to as a "LOSAP" - Length Of Service Award Program - under Section 457(e)(11) of the Internal Revenue Code) effective January 1, 1991 for the active volunteer firefighter members of the Bedford Village Fire Department. This is a single employer defined benefit plan. The Program was established pursuant to Article 11-A of the New York State General Municipal Law. The Program provides municipally-funded deferred compensation to volunteer firefighters to facilitate the recruitment and retention of active volunteer firefighters. The District is the Sponsor of the Program and the Program administrator.

Note 3 - Detailed Notes on All Funds and Account Groups *(Continued)*

An eligible Program Participant is defined to be an active volunteer firefighter who is at least 18 years of age and has earned one year of Service Award Program Service Credit. An active volunteer firefighter earns a year of Service Credit for each calendar year after the establishment of the Program in which he or she accumulates 50 points. Points are granted for the performance of certain firefighter activities in accordance with a system established by the Sponsor on the basis of a statutory list of activities and point values. A Participant may also receive Service Credit for five years of active volunteer firefighting service rendered prior to the establishment of the Program.

Participants acquire a non-forfeitable right to be paid a Service Award after earning five years of Service Credit, becoming totally and permanently disabled, dying while an active volunteer or upon attaining the Program's Entitlement Age while an active volunteer. The Program's Entitlement Age is age 60, and is the age at which benefits begin to be paid to Participants.

Benefits provided

A Participant's Service Award benefit is paid as a ten-year certain and continuous monthly payment life annuity. The amount payable each month equals $20 multiplied by the total number of years of Service Credit earned by the Participant. The maximum number of years of Service Credit a Participant may earn under the Program is 40 years. Currently, there are no other forms of payment of a volunteer's earned Service Award under the Program.

Except in the case of pre-Entitlement Age death or total and permanent disablement, a Participant's Service Award will not be paid until he or she attains the Entitlement Age. Volunteers who are active after attaining the Entitlement Age and who may have commenced receiving a Service Award have the opportunity to earn Service Credit and, thereby, increase their Service Award payments. The pre-Entitlement Age death and disability benefit is equal to the actuarial value of the Participant's earned Service Award at the time of death or disablement. Program does not provide extra line-of-duty death or disability benefits. All death and disability benefits are self-insured and are paid from the Program Trust Fund.

Inactive participants currently receiving benefit payments	25
Inactive participants entitled to but not yet receiving benefit payments	18
Active participants	40
Total	83

Contributions

New York State General Municipal Law §219(d) requires the District to contribute an actuarially determined contribution on an annual basis. The actuarially determined contribution shall be appropriated annually by the District.

Note 3 - Detailed Notes on All Funds and Account Groups *(Continued)*

Measurement of Total Pension Liability

The total pension liability at the December 31, 2018 measurement date was determined using an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method: Entry Age Normal

Inflation: 2.25%

Salary Scale: None assumed

Mortality rates were based on the RP-2014 Male Mortality Table without projection for mortality improvement.

Discount Rate. The discount rate used to measure the total pension liability was 3.64%. This was the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2018. In describing this index, S&P Dow Jones Indices notes that the index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years and with a rating of at least Aa2 by Moody's Investors Service's, AA by Fitch, or AA by Standard & Poor's Rating Services.

Trust Assets. Although assets have been accumulated in an irrevocable trust such that the assets are dedicated to providing pensions to plan members in accordance with benefit terms, the trust assets are not legally protected from creditors of the District. As such, the trust assets do not meet the criteria in paragraph 4 of GASB Statement No. 73. The trust assets are recorded in the General fund as investments and as a component of Restricted fund balance.

Changes in the Total Pension Liability

Balance as of 12/31/17 measurement date	$	2,511,767
Service cost		60,296
Interest		79,840
Changes in assumptions or other inputs		(161,420)
Differences between expected and actual experience		22,407
Benefit payments		(90,960)
Balance as of 12/31/18 measurement date	$	2,421,930

Sensitivity of the Total Pension Liability to changes in the discount rate. The following presents the total pension liability of the District as of the December 31, 2018 measurement date, calculated using the discount rate of 3.64 percent, as well as what the District's total pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.64 percent) or 1-percentage point higher (4.64 percent) than the current rate:

Note 3 - Detailed Notes on All Funds and Account Groups *(Continued)*

	1% Decrease (2.64%)	Current Assumption (3.64%)	1% Increase (4.64%)
Total Pension Liability	$ 2,777,327	$ 2,421,930	$ 2,131,532

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2019, the District recognized pension expense of $138,670. At December 31, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 56,989	$ -
Changes of assumptions or other inputs	128,394	234,913
Benefit payments and administrative expenses subsequent to the measurement date	105,996	-
	$ 291,379	$ 234,913

$105,996 reported as deferred outflows of resources related to pensions resulting from District transactions subsequent to the measurement date will be recognized as a reduction of the total pension liability in the plan year ended December 31, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	
2020	$ (9,082)
2021	(9,082)
2022	(9,082)
2023	(9,082)
2024	(6,581)
Thereafter	(6,621)

Note 3 - Detailed Notes on All Funds and Account Groups *(Continued)*

D. Net Position

The components of net position are detailed below:

Net Investment in Capital Assets - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted *for Purchase of Apparatus and Equipment, Building and Grounds* - the component of net position that reports the amounts restricted for the financing of all or part of the cost of construction or acquisition of a type capital improvement or equipment, exclusive of unexpended bond proceeds and unrestricted interest earnings.

Restricted for Repairs - the component of net position that reports the amounts restricted for the financing of all or part of the cost of repairs to District property.

Unrestricted - all other net position that do not meet the definition of "restricted" or "invested in capital assets".

E. Fund Balances

Certain elements of fund balance are described above. Those additional elements which are not reflected in the statement of net position but are reported in the governmental funds balance sheet are described below. The unreserved components of fund balance are also detailed below:

	General Fund	
	2019	2018
Nonspendable -		
Prepaid expenditures	$ 33,464	$ 28,959
Restricted:		
Purchase of apparatus and equipment	1,013,714	960,020
Purchase of buildings and grounds	977,670	1,097,229
Repairs	33,236	33,203
Pension benefits	1,928,888	1,594,146
	3,953,508	3,684,598
Assigned:		
Purchases on order		
Public safety	87,340	-
Deficit	(46,096)	-
	41,244	-
Unassigned	-	93,390
Total Fund Balance	$ 4,028,216	$ 3,806,947

Note 3 - Detailed Notes on All Funds and Account Groups *(Continued)*

The reserve for prepaid expenditures has been established to account for payments made in advance. The amount has been classified as nonspendable to indicate that these funds are not "available" for appropriation or expenditure even though they are a component of current assets.

The reserved for pension benefits has been set aside to be used for LOSAP pension benefits in accordance with Article 11-A of the General Municipal Law of the State of New York.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted, committed or assigned.

Note 4 - Contingencies

Risk Management

The District purchases various conventional insurance policies to reduce its exposure to loss. The general liability policy provides for coverage up to $1 million per occurrence. In addition, the District maintains an umbrella policy with policy limits of $10 million. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years. The District purchases conventional workers' compensation insurance with coverage at statutory levels.

Note 5 - Subsequent Event

The District's operations and financial performance may be affected by the recent coronavirus outbreak which has spread globally and is expected to adversely affect economic conditions throughout the world. If the outbreak continues and conditions worsen, the District may experience a disruption in operations as collection rates on real property taxes might be slowed as unemployment rates are expected to spike. The outbreak is likely to adversely affect the District's financial condition on an interim basis. Additionally, the COVID-19 pandemic has resulted in substantial volatility in the global markets. As a result, the District's LOSAP investments could have incurred a significant decline in its fair value since December 31, 2019. Because the value of the District's investments have and will fluctuate in response to changing market conditions, the amount of losses, if any, that will be recognized in subsequent periods, cannot be determined.

* * * * *

Bedford Village Fire District, New York

Required Supplementary Information
Length of Service Awards Program
Schedule of Changes in Total Pension Liability and Related Ratios
Last Ten Fiscal Years or Since Inception of GASB Statement No. 73

Schedule of Changes in the District's Total Pension Liability

	2019	2018	2017
Total Pension Liability			
Service Cost	$ 60,296	$ 58,481	$ 66,352
Interest	79,840	84,142	75,064
Changes of assumptions or other inputs	(161,420)	181,892	(165,192)
Differences between expected and actual experience	22,407	21,953	37,737
Benefit payments	(90,960)	(88,420)	(79,280)
Net Change in total pension liability	(89,837)	258,048	(65,319)
Total pension liability – beginning	2,511,767	2,253,719	2,319,038
Total pension liability – ending	$ 2,421,930	$ 2,511,767	$ 2,253,719
Covered payroll	N/A	N/A	N/A
Total pension liability as a percentage of covered payroll	N/A	N/A	N/A

Notes to Required Supplementary Information
Changes of assumptions or other inputs. The discount rate used to measure the total pension liability was based on the yield to maturity of the
December 31, 2016: 3.71%
December 31, 2017: 3.16%
December 31, 2018: 3.64%

Trust Assets. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 73 to pay related benefits.

See independent auditors' report

Bedford Village Fire District, New York

General Fund
Combining Balance Sheet - Sub-Funds
December 31, 2019
(With Comparative Totals for 2018)

	General	Fire Service Awards Program	Eliminations	December 31, 2019	December 31, 2018
ASSETS					
Cash and equivalents	$ 2,187,181	$ -	$ -	$ 2,187,181	$ 2,290,094
Investments	-	1,835,701	-	1,835,701	1,509,110
Accounts receivable	-	93,187	(93,187)	-	-
Prepaid expenditures	26,884	6,580	-	33,464	28,959
Total Assets	$ 2,214,065	$ 1,935,468	$ (93,187)	$ 4,056,346	$ 3,828,163
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts payable and accrued liabilities	$ 121,317	$ -	$ (93,187)	$ 28,130	$ 21,216
Fund Balance					
Nonspendable	26,884	6,580	-	33,464	28,959
Restricted	2,024,620	1,928,888	-	3,953,508	3,684,598
Assigned	41,244	-	-	41,244	-
Unassigned	-	-	-	-	93,390
Total Fund Balance	2,092,748	1,935,468	-	4,028,216	3,806,947
Total Liabilities and Fund Balance	$ 2,214,065	$ 1,935,468	$ (93,187)	$ 4,056,346	$ 3,828,163

See independent auditors' report

Bedford Village Fire District, New York

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Sub-Funds
Year Ended December 31, 2019
(With Comparative Totals for 2018)

	General	Fire Service Awards Program	Eliminations	December 31, 2019	December 31, 2018
REVENUES					
Real property taxes	$ 997,977	$ -	$ -	$ 997,977	$ 983,850
Departmental income	-	93,187	(93,187)	-	-
Use of money and property	5,105	358,681	-	363,786	(75,338)
Sale of property and compensation for loss	6,916	-	-	6,916	12,528
Miscellaneous	2,040	-	-	2,040	-
Total Revenues	1,012,038	451,868	(93,187)	1,370,719	921,040
EXPENDITURES					
General government support	5,530	-	-	5,530	-
Public safety	944,927	116,666	-	1,061,593	1,297,973
Employee benefits	175,514	-	(93,187)	82,327	83,599
Total Expenditures	1,125,971	116,666	(93,187)	1,149,450	1,381,572
Excess (Deficiency) of Revenues Over Expenditures	(113,933)	335,202	-	221,269	(460,532)
FUND BALANCE					
Beginning of Year	2,206,681	1,600,266	-	3,806,947	4,267,479
End of Year	$ 2,092,748	$ 1,935,468	$ -	$ 4,028,216	$ 3,806,947

See independent auditors' report

Bedford Village Fire District, New York

General Fund
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Year Ended December 31,

	2019				2018			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES								
Real property taxes	$ 997,977	$ 997,977	$ 997,977	$ -	$ 983,850	$ 983,850	$ 983,850	$ -
Use of money and property	-	-	5,105	5,105	-	-	3,335	3,335
Sale of property and compensation for loss	-	-	6,916	6,916	-	-	12,528	12,528
Miscellaneous	-	-	2,040	2,040	-	-	-	-
Total Revenues	997,977	997,977	1,012,038	14,061	983,850	983,850	999,713	15,863
EXPENDITURES								
General government support	-	5,530	5,530	-	-	-	-	-
Public safety	567,375	1,030,675	944,927	85,748	524,300	1,189,490	1,189,490	-
Employee benefits	195,602	182,354	175,514	6,840	174,550	168,635	168,635	-
Total Expenditures	762,977	1,218,559	1,125,971	92,588	698,850	1,358,125	1,358,125	-
Excess (Deficiency) of Revenues Over Expenditures	235,000	(220,582)	(113,933)	106,649	285,000	(374,275)	(358,412)	15,863
FUND BALANCE								
Beginning of Year	(235,000)	220,582	2,206,681	1,986,099	(285,000)	374,275	2,565,093	2,190,818
End of Year	$ -	$ -	$ 2,092,748	$ 2,092,748	$ -	$ -	$ 2,206,681	$ 2,206,681

See independent auditors' report

Bedford Village Fire District, New York

General Fund
Schedule of Expenditures Compared to Budget
Year Ended December 31, 2019
(With Comparative Actuals for the Year Ended December 31, 2018)

	2019				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
GENERAL GOVERNMENT SUPPORT					
Tax certiorari	$ -	$ 5,530	$ 5,530	$ -	$ -
PUBLIC SAFETY					
Personal services	99,675	99,965	99,965	-	100,785
Equipment	82,000	72,581	51,242	21,339	419,820
Office supplies and web page	32,475	52,759	34,912	17,847	23,301
Uniforms and turnout gear	56,000	55,000	24,565	30,435	31,790
Drills, parades and inspections	16,000	12,955	12,955	-	17,001
Travel	1,500	56	-	56	-
Association dues	3,275	1,500	1,500	-	1,537
Elections and legal notices	550	413	345	68	462
Insurance	46,500	40,937	40,883	54	41,402
Legal and audit	28,000	28,032	28,032	-	28,040
Building and grounds	70,000	44,810	44,810	-	51,946
Fire apparatus and equipment repairs	60,000	86,090	85,849	241	121,321
Gas and diesel fuel	16,000	17,063	11,626	5,437	14,211
Fire alarm system	4,500	2,015	698	1,317	1,747
Electricity	7,500	7,468	5,879	1,589	7,142
Training	15,000	15,000	13,274	1,726	22,454
Telephone	8,100	11,599	11,554	45	9,790
Physical exams	6,300	8,300	8,267	33	4,200
Physical fitness training	12,000	12,950	12,923	27	11,012
Miscellaneous	2,000	5,600	66	5,534	97
Land acquisition and improvement	-	455,582	455,582	-	281,432
Total Public Safety	567,375	1,030,675	944,927	85,748	1,189,490
EMPLOYEE BENEFITS					
Service awards program	86,000	93,187	93,187	-	85,036
Payroll taxes	7,702	7,625	7,625	-	7,593
Other benefits	101,900	81,542	74,702	6,840	76,006
Total Employee Benefits	195,602	182,354	175,514	6,840	168,635
Total Expenditures	$ 762,977	$ 1,218,559	$ 1,125,971	$ 92,588	$ 1,358,125

See independent auditors' report

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditors' Report

Board of Fire Commissioners
Bedford Village Fire District, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Bedford Village Fire District, New York ("District") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated June 19, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

PFK O'Connor Davies, LLP
Harrison, New York
June 19, 2020

APPENDIX C

FORM OF BOND COUNSEL OPINION

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

November 16, 2020

The Board of Fire Commissioners of
the Bedford Village Fire District,
in the Town of Bedford,
Westchester County, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Bedford Village Fire District, in the Town of Bedford, Westchester County (the "Fire District"), a district corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the Fire District's $14,750,000 Fire District Serial Bonds-2020 (the "Bonds"), 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 Bonds are valid and legally binding general obligations of the Fire District for which the Fire District has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the Fire District is subject to the levy of ad valorem real estate taxes to pay the Bonds 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 Bonds 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 Bonds 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 Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code.

The Code establishes certain requirements which must be met subsequent to the issuance of the Bonds in order that the interest on the Bonds 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 Bonds, restrictions on the investment of proceeds of the Bonds 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 Bonds 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 Bonds, the Fire District will execute a Tax Certificate relating to the Bonds containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the Fire District 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 Bonds 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 Fire District'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 Bonds, and (ii) compliance by the Fire District with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Bonds 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 Bonds, 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 Bonds.

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

Very truly yours,

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

Section 1. Definitions

"Annual Information" shall mean the information specified in Section 3 hereof.

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

"Financial Obligation" means "financial obligation" as such term is defined 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 the Bedford Village Fire District, in the Town of Bedford, Westchester County, New York, a district 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, or any successor thereto or to the functions of the MSRB contemplated by this Agreement.

"Purchaser" shall mean the financial institution referred to in the Certificate of Award executed by the Fire District Treasurer as of October 14, 2020.

"Rule" shall mean Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as amended, as in effect on the date of this Undertaking, including any official interpretations thereof issued either before or after the effective date of this Undertaking which are applicable to this Undertaking.

"Securities" shall mean the Issuer's **$14,750,000 Fire District Serial Bonds-2020**, dated November 16, 2020, maturing in various principal amounts on November 15 in each of the years 2021 to 2050, inclusive, and delivered on the date hereof.

Section 2. Obligation to Provide Continuing Disclosure. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided either directly or through Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York, 11776, to the EMMA System:

(i) no later than nine (9) months following the end of each fiscal year, commencing with the fiscal year ending December 31, 2020, the Annual Information relating to such fiscal year, together with audited financial statements of the Issuer for such fiscal year if audited financial statements

are then available; provided, however, that if audited financial statements are not then available, unaudited financial statements shall be provided with the Annual Information no later than nine (9) months following the end of each fiscal year, and audited financial statements, if any, shall be delivered to the EMMA System within sixty (60) days after they become available and in no event later than one (1) year after the end of each fiscal year; provided further, however, that the unaudited financial statement shall be provided for any fiscal year only if the Issuer has made a determination that providing such unaudited financial statement would be compliant with federal securities laws, including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933; and

(ii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of any of the following events with respect to the Securities:

(i) principal and interest payment delinquencies;

(ii) non-payment related defaults, if material;

(iii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) unscheduled draws on credit enhancements reflecting financial difficulties;

(v) substitution of credit or liquidity providers, or their failure to perform;

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

(vii) modifications to rights of Securities holders, if material;

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

(ix) defeasances;

(x) release, substitution, or sale of property securing repayment of the Securities, if material;

(xi) rating changes;

(xii) 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;

(xiii) 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;

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priorities rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and

(xvi) 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.

(iii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of a failure to provide by the date set forth in Section 2(a)(i) hereof any Annual Information required by Section 3 hereof.

(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 material event except those events listed above.

Section 3. Annual Information. (a) The required Annual Information shall consist of the financial information and operating data for the preceding fiscal year, in a form generally consistent with the information contained or cross-referenced in the Issuer's final official statement relating to the Securities under the headings: "THE FIRE DISTRICT", "INDEBTEDNESS OF THE FIRE DISTRICT", "FINANCES OF THE FIRE DISTRICT", "TAX INFORMATION", and "LITIGATION" and in Appendix A.

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

(c) Annual Information for any fiscal year containing any modified operating data or financial information (as contemplated by Section 7(e) hereof) for such fiscal year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such modification, such Annual Information shall present a comparison between the financial statements or information prepared on the basis of the modified accounting principles and those prepared on the basis of the former accounting principles.

Section 4. Financial Statements. The Issuer's annual financial statements for each fiscal year, if prepared, shall be prepared in accordance with GAAP or New York State regulatory requirements as in effect from time to time. Such financial statements, if prepared, shall be audited by an independent accounting firm. The Issuer's Annual Financial Report Update Document prepared by the Issuer and filed annually with New York State in accordance with applicable law, shall not be subject to the foregoing requirements.

Section 5. 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 6. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with paragraph (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 7. 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 modify the contents, presentation and format of the Annual Information from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the Issuer or to reflect changes in the identity, nature or status of the Issuer or in the business, structure or operations of the Issuer or any mergers, consolidations, acquisitions or dispositions made by or affecting any such person; provided that any such modifications shall comply with the requirements of Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such modification; or

(f) 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 7 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 8. 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 pursuant to 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.

In addition, this Agreement, or any provision hereof, shall be null and void in the event that those portions of the Rule which require this Agreement, or such provision, as the case may be, do not or no longer apply to the Securities, whether because such portions of the Rule are invalid, have been repealed, or otherwise.

Section 9. 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 10. 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 **November 16, 2020**.

By_____

FIRE DISTRICT TREASURER