PRELIMINARY OFFICIAL STATEMENT DATED APRIL 14, 2023

NEW ISSUE **BOND ANTICIPATION NOTES**

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

The Village will designate the Notes as "qualified tax-exempt obligations" pursuant to the provision of Section 265(b)(3) of the Code.

VILLAGE OF COLD SPRING
PUTNAM COUNTY, NEW YORK
(the "Village")

$2,197,050

BOND ANTICIPATION NOTES – 2023
(the "Notes")

Dated Date: May 4, 2023 Maturity Date: May 3, 2024

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

Prior Redemption: The Notes will not be subject to redemption prior to their maturity.

Form and Denomination: At the option of the purchaser, the Notes may be either (i) registered in the name of the purchaser or (ii) registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC") as book-entry notes. A single note certificate shall be delivered to the purchaser(s), for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Those Notes issued in book-entry form will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the Securities Depository for the Notes. Individual purchases of any Notes issued in book-entry form may be made only in book-entry form in denominations of $5,000 or integral multiples thereof, except for one necessary odd denomination. Holders of book-entry Notes will not receive certificates representing their respective ownership interests in any Notes issued in book-entry form. (See *"Book-Entry System"* herein).

Payment: Payment of the principal of and interest on the Notes registered to the Purchaser will be payable in lawful money of the United States of America (Federal Funds) at such bank or trust company located and authorized to do business in the State of New York as may be selected by the successful bidder. Payment of the principal of and interest on any Notes issued in book-entry form will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices. Payment will be the responsibility of the DTC Participants or Indirect Participants and not of DTC or the Village, subject to any statutory and regulatory requirements as may be in effect from time to time. Principal and interest payments on any book-entry Notes shall be payable at the office of the Village Clerk. (See "*Book-Entry System*" herein).

Proposals for the Notes will be received at 11:00 A.M. (Prevailing Time) on April 25, 2023 at the offices of Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776.

The Notes are offered subject to the final approving opinion of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel to the Village, and certain other conditions. It is expected that delivery of the Notes will be made on or about May 4, 2023 in New York, New York, or as otherwise agreed to by the Village and the purchaser.

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

VILLAGE OF COLD SPRING
PUTNAM COUNTY, NEW YORK

85 Main Street
Cold Spring, New York 10516
Telephone: 845/265-3611
Fax: 845/265-1002

VILLAGE OFFICIALS

Kathleen E. Foley, Mayor

Trustees

Laura Bozzi	Eliza Starbuck
Cathryn Fadde	Tweeps Phillips Woods

Jeffrey Vidakovich, Village Clerk/Treasurer
Michelle Ascolillo, Village Accountant
John W. Furst, Village Attorney

* * *

BOND COUNSEL

Hawkins Delafield & Wood LLP
New York, New York

* * *

MUNICIPAL ADVISOR

Munistat
Municipal Financial Advisory Service
Since 1977

Municipal Finance Advisory Service

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

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OFFICIAL STATEMENT

Relating to

VILLAGE OF COLD SPRING
PUTNAM COUNTY, NEW YORK

$2,197,050 BOND ANTICIPATION NOTES – 2023
(the "Notes")

This Official Statement, including the cover page and appendices thereto, has been prepared by the Village of Cold Spring (the "Village") in the County of Putnam, New York and presents certain information relating to the Village's $2,197,050 Bond Anticipation Notes – 2023 (the "Notes"). All quotations from and summaries and explanations of provisions of the Constitution and laws of the State of New York (the "State") and acts and proceedings of the Village contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof a7nd all references to the Notes and the proceedings of the Village relating thereto are qualified in their entirety by reference to the definitive form of the Notes and such proceedings.

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 Village's overall economic situation and outlook (and all of the specific Village-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 "*RISK FACTORS*" and "*IMPACT OF COVID-19*" herein.

THE NOTES

Description of the Notes

The Notes are general obligations of the Village. The Village has pledged its faith and credit for the payment of the principal of and interest on the Notes and, unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied upon all the taxable real property within the Village, subject to certain statutory limitations imposed by the Tax Levy Limit Law. (See "*Tax Levy Limit Law*" herein)**.**

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

The Village Clerk will act as Fiscal Agent for the Notes. Paying Agent fees, if any, will be paid by the purchaser(s). The Village's contact information is as follows: Jeffrey Vidakovich, Village Clerk/Treasurer, Village of Cold Spring, 85 Main Street, Cold Spring, New York 10516, telephone number (845) 265-3611, email: vcsclerk@coldspringny.gov.

Optional Redemption

The Notes will not be subject to redemption prior to their maturity.

Book-Entry System

DTC will act as securities depository for any Notes issued as book-entry notes. Such Notes 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 note certificate will be issued for each book-entry Note bearing the same rate of interest and CUSIP number and will be 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"). Standard & Poor's assigns a rating of "AA+" to DTC. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found a www.dtcc.com and www.dtc.org.

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

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Notes 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 Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping 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 Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of the Notes may wish to ascertain that the nominee holding the Notes 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 Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the 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 Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village on 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 Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village, disbursement of such payments to Direct Participants will be the responsibility of DTC), and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Village. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered to the Noteowners. The Village may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In such event, note certificates will be printed and delivered to the Noteowners.

The information contained in the above section concerning DTC and DTC's book-entry system has been obtained from sample offering document language supplied by DTC, but the Village takes no responsibility for the accuracy thereof. In addition, the Village will not have any responsibility or obligation to participants, to indirect participants or to any beneficial owner with respect to: (i) the accuracy of any records maintained by DTC, any participant or any indirect participant; (ii) the payments by DTC or any participant or any indirect participant of any amount with respect to the principal of, or premium, if any, or interest on the Notes or (iii) any notice which is permitted or required to be given to Noteowners.

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

Authorization and Purpose

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Village Law and the Local Finance Law, and a bond resolution duly adopted by the Board of Trustees of the Village as follows:

Date Authorized	Purpose	Amount Outstanding	Amount to be Paid	Additional Amount to Issue	Total Amount to be Issued
06/28/2011	Water Main Improvements	$ 954,500	$ 52,000	$185,000	$1,087,500
03/11/2014	Sewer Improvements	944,570	41,000	0	903,570
02/09/2016	Installation of Water Meters	233,980	28,000	0	205,980
	TOTALS:	$2,133,050	$121,000	$185,000	$2,197,050

Security and Source of Payment

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

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

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

RISK FACTORS

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

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

If and when an owner of any of the Notes should elect to sell a Note 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 Notes. The market value of the Notes is dependent upon the ability of holder to potentially incur a capital loss if such Note 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 Notes. In particular, if a significant default or other financial crisis should occur in the affairs of the State or any of its municipalities, public authorities or other political subdivisions thereby possibly further impairing the acceptability of obligations issued by those entities, both the ability of the Village to arrange for additional borrowing(s) as well as the market for and market value of outstanding debt obligations, including the Notes, could be adversely affected.

The Village is dependent in part upon financial assistance from the State in the form of State aid as well as grants and loans to be received ("State Aid"). The availability of such monies and the timeliness of such payment may be affected by a delay in the adoption of the State budget, the impact to the State's economy and financial condition due to the COVID-19 outbreak and other circumstances, including State fiscal stress. State aid appropriated and apportioned to the Village can be paid only if the State has such monies available therefor. Should the Village fail to receive all or a portion of the amounts of State Aid expected to be received from the State in the amounts and at the times anticipated, occasioned by a delay in the payment of such moneys, the Village is authorized pursuant to the Local Finance Law ("LFL") to provide operating funds by borrowing in anticipation of the receipt of such uncollected State Aid, however, there can be no assurance that, in such event, the Village will have market access for any such borrowing on a cost effective basis. (See also "*State Aid*" 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 Notes, for income taxation purposes could have an adverse effect on the market value of the Notes (see "*Tax Matters*" herein).

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

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

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the Village's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Currently, the spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is affecting 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 in 2020 and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and nonessential businesses. However, the outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time. Similarly, the degree of the impact to the Village's operations and finances is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the State and municipalities and school districts located in the State, including the Village. The Village is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. (See "*Revenues - State Aid*" and "*Impact of COVID-19*" herein.)

REMEDIES UPON DEFAULT

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

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

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

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

Pursuant to Article VIII, Section 2 of the State Constitution, the Village is required to provide an annual appropriation of monies for the payment of due and payable principal of and interest on indebtedness. Specifically, this constitutional provision states: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness." This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. In *Quirk* v. *Municipal Assistance Corp*., 41 N.Y.2d 644 (1977), the Court of Appeals described this as a "first lien" on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in the State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy, to pay debt service on such obligations, but that such pledge may or may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues. The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

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

In prior years, certain events and legislation affecting a holder's remedies upon default have resulted in litigation. While courts of final jurisdiction have generally upheld and sustained the rights of holders of bonds or notes, such courts might hold that future events, including a financial crisis as such may occur in the State or in political subdivisions of the State, may require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service.

MUNICIPAL BANKRUPTCY

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

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

Accordingly, enforceability of the rights and remedies of the owners of the Notes, and the obligations incurred by the Village, may become subject to Chapter IX and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against public agencies in the State. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Notes to judicial discretion, interpretation and of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

The State has consented (see Title 6-A of the Local Finance Law) that any municipality in the State may file a petition with any United States district court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect for the composition or adjustment of municipal indebtedness. However, it is noted that there is no record of any recent filings by a New York municipality. Since the New York City fiscal crisis in 1975, the State has legislated a finance control or review board and assistance corporations to monitor and restructure finance matters in addition to New York City, for the Cities of Yonkers, Troy and Buffalo and for the Counties of Nassau and Erie. Similar active intervention pursuant to State legislation to relieve fiscal stress for the Village in the future cannot be assured.

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

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

Financial Control Boards

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

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

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

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

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

No Past Due Debt

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

VILLAGE OF COLD SPRING

There follows in this Official Statement a brief description of the Village, together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and expenditures and general and specific funds.

General Information

The Village was incorporated in 1846. The Village is situated in the north west portion of Putnam County along the Hudson River and comprised of about 0.61 square miles wholly within the Town of Philipstown. The Village is approximately 50 miles north of New York City.

The Village is residential in character with single-family and two family homes as well as apartment or condominium complexes. The Village has commercial areas along Main Street which leads to the train station with additional sites along Route 9D. The Village is noted for its antique shops that attract shoppers from throughout the area.

The Village provides its residents with many of the services traditionally provided by the Village governments in the State. A list of these services are as follows: fire protection; police protection and law enforcement; water and sewer services; highway and public facilities maintenance; a local justice court that is responsible for enforcing provisions of the State Vehicle and Traffic Law and Local Ordinances as well as having jurisdiction over certain civil and criminal matters; cultural and recreation activities and planning and zoning administration. Refuse collection is provided by Royal Carting and is paid for by the Village. The Village contracts within the Town of Philipstown to provide building code enforcement. The Julia Butterfield Memorial Library, which is not funded by the Village, provides library services and other cultural and civic services to the Village residents. The Library is a member of the Mid-Hudson Library Association. In addition, the Town of Philipstown and the County furnish certain other services.

The Village maintains its own interior network of roads. 9D runs north and south through the Village and also intersects with Interstate 84 several miles north of the Village. Stewart International Airport located in Newburgh, provides commercial airline services, as well as the metropolitan New York airports which may be reached within approximately one hour. Amtrak and Metro North Railroad provide railroad passenger services while freight services are provided by Conrail.

Government

The Mayor and four Trustees form the main governing body that is the Village Board. These officials are elected to their part-time positions for a two-year term and are responsible for adopting the Village budget, enacting local laws and adopting municipal policies. Additionally, the Mayor and the Board of Trustees are responsible for appointing members to the Village Planning Board, Zoning Board of Appeals, Historic District Review Board, Recreation Commission and any special advisory boards. Elections for the Mayor and Board of Trustees are held in November for terms that have expired.

The Mayor and Trustees are elected for a two-year term of office with the right to succeed themselves. In addition, the Mayor is a full member of and the presiding member of the Village Board.

The Village Clerk/Treasurer is appointed by the Board of Trustees for a one-year term. The responsibilities of the Clerk include: custody of seals, preparation and custody of minutes for board proceedings, custody of official communications, records and reports. In addition, the Village Clerk is responsible for maintaining and updating the Village of Cold Spring Code. The Village Accountant is an employee of the Village and performs the following activities with oversight from the Village Clerk/Treasurer: maintaining the Village's accounting systems and records including the responsibility to prepare and file an annual financial report with the State Comptroller, custody and investment of Village funds, and debt management. In addition, the Village Accountant, with oversight from the Clerk/Treasurer is the tax collector responsible for collecting and enforcing delinquent Village taxes.

Employees

The Village provides services for its residents through approximately 8 full-time, 26 part-time employees and the 5 member Board of Trustees. Members of the Cold Spring Police Department are part-time and are represented by the Village of Cold Spring Police Benevolent Association, Inc. Their current contract expires on May 31, 2023. All full-time employees are offered an employee benefit package by the Board of Trustees.

ECONOMIC AND DEMOGRAPHIC INFORMATION

Population Characteristics

Since 1990, the Village has had a population trend, as compared to the Town and County, as indicated below:

	Total Population			
	1990	2000	2010	2020
Village of Cold Spring	1,981	1,983	2,013	1,986
Town of Philipstown	9,242	9,422	9,757	9,720
Putnam County	83,941	95,745	99,710	98,714

Source: U.S. Bureau of the Census.

Income Data

	Per Capita Money Income			
	1990	2000	2010	2020
Village of Cold Spring	$19,324	$34,560	$37,614	$62,122
Town of Philipstown	22,158	37,738	42,000	56,583
Putnam County	20,536	30,127	37,915	47,533
State of New York	16,501	23,387	30,948	40,898

	Median Household Income			
	1990	2000	2010	2020
Village of Cold Spring	$35,260	$53,382	$63,000	$111,667
Town of Philipstown	50,000	71,895	77,784	117,926
Putnam County	53,634	72,279	89,218	107,246
State of New York	32,965	43,393	55,603	71,117

Source: United States Bureau of the Census

a. Based on American Community Survey 5-Year Estimates (2016-2020)

Major Non-Governmental Employers in the County

Name of Employer	Type	Approximate Number of Employees
Putnam Hospital Center	Health Services	900
Green Chimneys	Services	519
Ace Endico	Food Service & Retail	507
The ARC of Putnam	Services	375
Hudson Valley Celebreal Palsy Assoc	Services	264
Putnam Precision Products, Inc	Manufacturing	250
Big V ShopRite Supermarket	Retail	250
Home Depot	Retail	250
Arms Acres, Inc	Services	230
CareMount Medical PC	Health Services	223
Acme Supermarkets (3 locations)	Food Service & Retail	172
TOPS	Food Service & Retail	150
Friars of the Atonement	Services	148
DeCiccio Family Market	Food Service & Retail	125
Stop & Shop	Food Service & Retail	125
Powers Fasteners, Inc	Manufacturing	107

Source: Putnam County Division of Planning.

Unemployment Rate Statistics

Unemployment statistics are not available for the Village as such. The smallest area for which such statistics are available (which includes the Village) is the County of Putnam. The information set forth below with respect to such County and State is included for information purposes only. It should not be inferred from the inclusion of such data in this Official Statement that the Village is necessarily representative of the County and State or vice versa.

Annual Averages:	Putnam County (%)	New York State (%)
2017	4.3	4.7
2018	3.7	4.1
2019	3.7	4.0
2020	7.6	10.0
2021	4.5	7.2
2022	2.9	4.4

Source: Department of Labor, State of New York

INDEBTEDNESS OF THE VILLAGE

Constitutional Requirements

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

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

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

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes, or to be paid in one of the two fiscal years immediately succeeding the fiscal year in which such indebtedness was contracted, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose 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 Village has authorized the issuance of indebtedness having substantially level or declining annual debt service. The Village is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds, bond anticipation notes and capital notes.

General. The Village is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation, assessment, borrowing money, contracting indebtedness and loaning the credit of the Village so as to prevent abuses in the exercise of such powers; however, as has been noted under *"Security and Source of Payment"*, the State Legislature is prohibited by a specific constitutional provision from restricting the power of the Village to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limit Law imposes a statutory limitation on the Village's power to increase its annual tax levy, unless the Village complies with certain procedural requirements to permit the Village to levy certain year-to-year increases in real property taxes. (See "*Tax Levy Limit Law*," herein).

Statutory Procedure

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

Pursuant to the Local Finance Law, the Village authorizes the incurrence of indebtedness by the adoption of a bond resolution approved by at least two-thirds of the members of the Board of Trustees, except in the event that the Village determines to subject the bond resolution to voter approval by mandatory referendum, in which case only a three-fifths vote is required.

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution which, in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. The Village has complied with this estoppel procedure with respect to the authorization of the Notes.

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

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

In addition, under each bond resolution, the Board of Trustees may delegate, and has delegated, power to issue and sell bonds and notes, to the Village Treasurer, the chief fiscal officer of the Village.

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

Debt Limit. The Village has the power to contract indebtedness for any Village purpose so long as the aggregate outstanding principal amount thereof shall not exceed seven per centum of the average full valuation of taxable real estate of the Village and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional and statutory method for determining the full valuation is by dividing the assessed valuation of taxable real estate by the respective equalization rates assigned to each assessment roll. Such equalization rates are the ratios which each of such assessed valuations bear to the respective full valuation of such year, as assigned by the New York State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratios shall be determined. Average full valuation is determined by adding the full valuations for the most recently completed assessment roll and the four immediately preceding assessments rolls and dividing the resulting sum of such addition by five.

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

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

Computation of Debt Limit and Calculation of Net Debt Contracting Margin
(As of April 14, 2023)

Fiscal Year Ending May 31:	Assessed Valuation	State Equal. Rate (%)	Full Valuation
2020	$146,399,179	46.95	$ 311,819,338
2021	149,757,393	45.85	326,624,630
2022	153,188,327	44.65	343,086,959
2023	155,473,742	44.60	348,595,834
2024	155,807,174	39.35	395,952,158

Total Five Year Full Valuation	$1,726,078,918
Average Five Year Full Valuation	345,215,784
Debt Limit - 7% of Average Full Valuation	24,165,105
Inclusions:	
Sewer Bonds	470,000
Bond Anticipation Notes	2,133,050
Total Inclusions	2,603,050
Exclusions:	
Excluded Water Debt for BANs	1,188,480
Excluded Sewer Debt	105,000
BAN Appropriations	121,000
Total Exclusions	1,414,480
Total Net Indebtedness before Issuing the Notes	1,188,570
The Notes	2,197,050
Less: BANs to be Redeemed by the Issuance of the Notes	2,133,050
Net Effect of Issuing the Notes	64,000
Total Net Indebtedness After Issuing the Notes	1,252,570
Net Debt Contracting Margin	$22,912,535
Percent of Debt Contracting Margin Exhausted (%)	5.18

Details of Short-Term Indebtedness Outstanding [a]
(As of April 19, 2022)

The Village has bond anticipation notes outstanding for the following various purposes in the amount of $2,133,050. The proceeds of the Notes, along with available funds in the amount of $121,000 will be used to redeem such notes as follows:

Date Due	Purpose	Amount Outstanding	Amount to be Paid
05/05/2023	Water Main Improvements	$ 954,500	$ 52,000
05/05/2023	Sewer Improvements	944,570	41,000
05/05/2023	Water Meters	233,980	28,000
	Total:	$2,133,050	$121,000

a. See also "New York State Environmental Facilities Corporation" herein.

Debt Service Requirements - Outstanding Bonds [a]

Fiscal Year Ending May 31:	Principal	Interest	Total
2023	$50,000	$13,892	$63,892
2024	55,000	12,340	67,340
2025	55,000	10,673	65,673
2026	55,000	8,989	63,989
2027	20,000	7,986	27,986
2028	20,000	7,674	27,674
2029	20,000	7,353	27,353
2030	20,000	7,018	27,018
2031	25,000	6,636	31,636
2032	25,000	6,063	31,063
2033	25,000	5,426	30,426
2034	25,000	4,742	29,742
2035	25,000	4,018	29,018
2036	25,000	3,264	28,264
2037	25,000	2,483	27,483
2038	25,000	1,676	26,676
2039	25,000	848	25,848
Totals	$520,000	$111,080	$631,080

a. Does not reflect payments made to date and interest subsidy received for the NYS Environmental Facilities Corporation on certain outstanding bonds of the Village.

Capital Project Plans

The Village is generally responsible for providing services as required to the citizens on a Village-wide basis. The Village maintains a road system necessitating road resurfacing and improvements and the acquisition of machinery and, from time to time, equipment. Additionally, although not a capital expense, such road system requires annual expenditures for snow removal as well as regular general operating maintenance expenses. In addition, the Village owns, operates, maintains and improves recreation facilities. As has been noted, the Village generally has provided the financing for sanitary sewer and water facilities and maintains primary responsibility for these functions. Capital borrowing levels expect to remain about the same for the near future.

New York State Environmental Facilities Corporation

On December 21, 2016, the Village Board adopted a resolution authorizing various improvements to the Village's wastewater system. The project was awarded a grant of $144,265 and the balance in subsidized financing through New York State Environmental Facilities Corporation ("EFC"). The Project has now been completed and the Village has converted a short-term loan through EFC to long-term subsidized financing in the amount of $443,520 in June of 2019.

Authorized But Unissued Indebtedness

As of the date of this Official Statement, the Village has authorized but unissued indebtedness in the amount of $185,000 for water infrastructure improvements. Such amount will be financed by the issuance of the Notes. See also "*Capital Project Plans*" herein.

Trend of Village Indebtedness

The following table represents the outstanding indebtedness of the Village at the end of the last five preceding fiscal years.

	2018	2019	2020	2021	2022
Bonds	$ 255,000	$ 668,520	$ 618,520	$ 570,000	$ 520,000
BAN's	2,909,000	2,776,700	2,672,300	2,263,050	2,133,050
Other Debt	0	0	0	0	0
Total Debt Outstanding	$3,164,000	$3,445,220	$3,290,820	$2,833,050	$2,653,050

Calculation of Estimated Overlapping and Underlying Indebtedness

Overlapping Units	Date of Report	Percentage Applicable (%)	Applicable Total Indebtedness	Applicable Net Indebtedness
Putnam County	06/29/2022	1.67	$805,658	$754,139
Town of Philipstown	01/11/2023	10.80	438,740	438,740
Haldane School District	12/13/2022	22.19	1,743,025	1,132,966
Totals			$2,987,423	$2,325,845

Sources: Annual Reports of the respective units for the most recently completed fiscal year on file with the Office of the State Comptroller or more recently published Official Statements.

Debt Ratios
(As of April 19, 2022)

	Amount	Per Capita [a]	Percentage Of Full Value (%) [b]
Total Direct Debt	$2,603,050	$1,311	0.747
Net Direct Debt	1,188,570	598	0.341
Total Direct & Applicable Total Overlapping Debt	5,590,473	2,815	1.604
Net Direct & Applicable Net Overlapping Debt	3,514,415	1,770	1.008

a. The current population of the Village is 1,986 (2020 U.S. Census).
b. The full valuation of taxable real property in the Village for 2022-23 is $395,952,158.

FINANCES OF THE VILLAGE

Financial Statements and Accounting Procedures

The financial statements of the Village are audited each year by an independent public accountant. The latest year for which an audit report is available is the fiscal year ending May 31, 2022. A copy of such report is attached hereto as Appendix B. The Balance Sheets and Statements of Revenues, Expenditures and Changes in Fund Balances presented in Appendix A of this Official Statement are based on the audited financial statements for the fiscal years 2018 through 2022.

In addition, the Village maintains its financial records in accordance with the Uniform System of Accounts for Villages prescribed by the State Comptroller. The financial affairs of the Village are subject to periodic compliance review by the Office of the State Comptroller to ascertain whether the Village has complied with the requirements of various State and Federal statutes. As required by law, the Village also prepares and Annual Financial Report Update Document for submission to the Comptroller.

Investment Policy

The Village has adopted an investment policy which is summarized as follows:

The primary objectives of the local government's investment activities are, in priority order

- to conform with all applicable federal, state and other legal requirements (legal);
- to adequately safeguard principal (safety);
- to provide sufficient liquidity to meet all operating requirements (liquidity); and
- to obtain a reasonable rate of return (yield).

The governing board's responsibility for administration of the investment program is delegated to the Village Treasurer who has established written procedures for the operation of the investment program consistent with these investment guidelines. Such procedures include an adequate internal control structure to provide a satisfactory level of accountability based on a data base or records incorporating description and amounts of investments, transaction dates, and other relevant information such procedures also regulate the activities of subordinate employees. Certain aspects of such procedures are summarized as follows:

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Village to govern effectively.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

It is the policy of the Village to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

It is the policy of the Village for all moneys collected by an officer or employee of the government to transfer those funds to the Village Treasurer within the time period specified by law.

The Village Treasurer is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

In accordance with the provisions of General Municipal Law, §10, all deposits of the Village, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured:

By a pledge of "eligible securities" with an aggregate "market value" as provided by GML §10, equal to the aggregate amount of deposits.

Eligible securities used for collateralizing deposits shall be held by a third party bank or trust company subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure local government deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events which will enable the local government to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the Village, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Village or its custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the Village, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the Village a perfected interest in the securities.

As authorized by General Municipal Law, §11, the Village authorizes the Village Treasurer to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- Special time deposit accounts;
- Certificates of deposit;
- Obligations of the United States of America;
- Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America;
- Obligations of the State of New York;
- Obligations issued pursuant to Local Finance Law §24.00 or 25.00 (with approval of the State Comptroller) by any municipality, school district or district corporation other than the Village;
- Obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general State statutes governing such entities or the specific enabling legislation authorizes such investments.

All investment obligations shall be payable or redeemable at the option of the Village 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 at the option of the Village within two years of the date of purchase.

The Village shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the Village conducts business must be credit worthy. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The Village Treasurer is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such listing shall be evaluated at least annually.

Budgetary Procedure

The head of each administrative unit of the Village is required to file detailed estimates of revenues (other than real property taxes) and expenditures for the next fiscal year with the Budget Officer. After reviewing these estimates, the Budget Officer prepares a tentative budget which includes her recommendations. Subsequently, the Village Clerk presents the tentative budget to the Board at a regular or special meeting. Review and preliminary alteration of the tentative budget by the Board and the tentative budget and such modifications, if any, as approved by the Board are made. A public hearing on the tentative budget, notice of which must be given at least five (5) days prior to the hearing, must be held not later than April 15th. After the public hearing, the Board may further change and revise the tentative budget. The board must adopt the tentative budget as submitted or amended by May 1st, at which time the tentative budget becomes the annual budget of the Village for the ensuing fiscal year. Budgetary control is the responsibility of the Village Treasurer. The Tax Levy Limit Law imposes a tax levy limitation upon the Village commencing in the 2013 fiscal year. The Village's 2022 and 2023 Budgets did not exceed such limit. (See "*Tax Levy Limit Law*" herein).

Fund Structure and Accounts

The General Fund is the general operating fund for the Village and is used to account for substantially all revenues and expenditures of the Village. The Village also maintains a Water and a Sewer Fund.

Basis of Accounting

The Village's governmental funds are accounted for on a modified accrual basis whereby revenues, other than those susceptible ("measurable" and "available" to finance current operations) to accrual, are recorded when received in cash. Revenues susceptible to accrual include real property taxes and State aid. The Village generally records expenditures on the accrual basis when fund liabilities are incurred, except as follows: Interest on general obligation debt which is recorded when it becomes due. Pension costs billed to the Village by the State are recorded as expenditures in full in the fiscal year billed. The estimated unbilled portion of these pension costs for governmental funds are shown as a liability on the balance sheet of the general long-term debt accounts group. Accumulated vacation and sick leave are also accounted for in the general long-term debt account group. Inventories are generally not recorded but expensed at the time of purchase. Fixed assets are recorded at cost; there is no provision for depreciation expense.

Revenues

The Village receives most of its revenues from a real property tax on all non-exempt real property situated within the Village, Non-Property Taxes, Intergovernmental Charges, Departmental Income and State aid. A summary of such revenues for the five most recently completed fiscal years and estimated revenues for the current fiscal year may be found in Appendix A. (See also "*Tax Levy Limit Law*" herein).

Real Property Taxes

See "*Tax Information*", herein.

State Aid

The Village receives financial assistance from the State. If the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Village, may be affected by a delay in the payment of State aid. Additionally, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Village, in this year or future years, the Village may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments.

Should the Village fail to receive State aid expected from the State in the amounts and at the times expected, occasioned by a delay in the payment of such monies, the Village is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

The following table sets forth the percentage of the Village's General Fund revenue comprised of State aid for each of the fiscal years 2018 through 2022, and as budgeted for 2023.

Fiscal Year Ending May 31:	Total Revenue	State Aid	State Aid to Revenues (%)
2018	$2,030,588	$94,924	4.67
2019	2,126,709	67,735	3.18
2020	2,249,421	225,134	10.01
2021	2,212,737	119,379	5.40
2022	2,363,116	81,381	3.44
2023 (Budgeted)	2,881,538	215,014	7.46

Sources: Audited Financials of the Village (2018-2022) and Adopted Budget of the Village (2023).

Expenditures

The major categories of expenditure for the Village are General Government Support, Public Safety, Transportation, Home & Community Services and Employee Benefits. A summary of the expenditures for the five most recently completed fiscal years and the estimated expenditures for the current fiscal year may be found in Appendix A.

The State Comptroller's Fiscal Stress Monitoring System and OSC Compliance Reviews

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

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

The most current applicable report of OSC designates the Village as "No Designation" (Fiscal Score: 0.0%; Environmental Score: 0.0%). More information on the FSMS may be obtained from the Office of the State Comptroller.

In addition, OSC helps local government officials manage government resources efficiently and effectively. The Comptroller oversees the fiscal affairs of local governments statewide, as well as compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished, in part, through its audits, which identify opportunities for improving operations and governance.

Pension Systems

Substantially all employees of the Village are members of the New York State and Local Employees' Retirement System (the "Retirement System" or "ERS") or the New York State and Local Police and Fire Retirement System (PFRS). The Retirement Systems are 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 System Law"). The Retirement Systems offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement Systems 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 Systems. The Retirement Systems are non-contributory with respect to members hired prior to July 27, 1976. Generally, all members hired on or after July

27, 1976 through and including December 31, 2009 must contribute three percent of their gross annual salary towards the costs of retirement programs until they attain ten years in the Retirement Systems, at such time contributions become voluntary. On December 10, 2009, the Governor signed into law the creation of a new Tier 5, which is effective for ERS employees hired after January 1, 2010 through March 31, 2012. Tier 5 contribute 3% of their salaries and there is no provision for these contributions to cease for Tier 5 employees after a certain period of service. Additionally, on March 16, 2012, the Governor signed into law the new Tier 6 pension program, effective for ERS employees hired after April 1, 2012. The Tier 6 legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. Tier 6 employees will vest in the system after five years of employment and will continue to make employee contributions throughout employment.

As a result of significant capital market declines at certain times, in certain years the State's Retirement System portfolio has experienced negative investment performance and severe downward trends in market earnings. As a result of the foregoing, it is anticipated that the employer contribution rate for the State's Retirement System in future years may be higher than the minimum contribution rate established under applicable law. Since 2010, various forms of legislation have been enacted to allow local governments and school districts the option of amortizing required contributions to the Retirement System. However, although these options reduce near term payments, it will require higher than normal contributions in later years.

The Village has decided not to amortize any pension contributions.

The amount of payments by the Village to the respective Retirement Systems for the past five years are presented below:

Payments to the Retirement Systems

Fiscal Year Ending May 31:	ERS	PFRS
2018	$91,790	$42,322
2019	84,805	41,536
2020	78,148	44,292
2021	88,315	28,285
2022	67,423	21,349
2023(Estimated)	88,315	23,175

Source: Village Officials

Other Post-Employment Benefits

OPEB refers to "other post-employment benefits," meaning benefits other than pension benefits. OPEB consists primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Accounting rules now require governmental entities, such as the Village, to account for post-retirement health care benefits as its accounts for vested pension benefits. GASB Statement No. 75 ("GASB 75") described below requires such accounting.

GASB 75 of the Governmental Accounting Standards Board ("GASB"), requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and other non-pension benefits ("OPEB"). GASB 75 generally requires that employers account for and report the annual cost of the OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as they currently do for pensions. Under previous rules, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements. Only current payments to existing retirees were recorded as an expense.

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

During the year ended May 31, 2019, the Village adopted GASB 75, which eliminates GASB 45. Under GASB 75, based on actuarial valuation, an annual required contribution ("ARC") will be determined for each state or local government. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. If a municipality contributes an amount less than the ARC, a net OPEB obligation will result, which is required to be recorded as a liability on its financial statements.

GASB 75 establishes new standards for recognizing and measuring OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures to provide more transparent reporting and useful information about the liability and cost of benefits. Municipalities and school districts are required to account for OPEB within the financial statements rather than only noted in the footnotes as previously required by GASB 45. It is measured as of a date no earlier than the end of the employer's prior fiscal year and no later than the employer's current fiscal year. The discount rate is based on 20-year, tax exempt general obligation municipal bonds. There is no amortization of prior service cost.

The Village's total OPEB liability at May 31, 2022 is as follows:

Changes in the Total OPEB Liability	Fiscal Year Ending May 31:
Balance as of May 31, 2022	$3,899,637
Changes for the year:	
Service Cost	72,469
Interest	74,324
Changes in assumptions or other inputs	(394,081)
Economic/demographic gains or losses	(280,321)
Benefit payments	(121,254)
Total Changes	($648,863)
Balance at May 31, 2022	$3,250,774

The OSC has recently proposed legislation to provide the State and certain local governments with the authority to establish trusts in which to accumulate assets for OPEB and to establish an OPEB investment fund in the sole custody of the State Comptroller for the investment of OPEB assets of the State and participating eligible local governments. The Village cannot predict at this time whether such proposed legislation will be enacted into law. At this time, New York State has not developed guidelines for the creation and use of irrevocable trusts for the funding of OPEB. As a result, the Village has decided to continue funding the expenditure on a pay-as-you-go basis.

Should the Village be required to fund its unfunded actuarial accrued OPEB liability, it could have a material adverse impact upon the Village's finances and could force the Village to reduce services, raise taxes or both.

Firefighter's Length of Service Award Program and Funding Requirements

Fire protection in the Village is provided through the Cold Spring Fire Company. The fire company has a length of service award program (a defined benefit plan) (the "Plan") for its volunteer fire fighters. Retirement benefits are to be paid to eligible volunteer firefighters at a rate of $20 per month for each qualified year of active firefighting service, not to exceed 20 years. Participants are vested in the Plan upon completion of five years of service, or attainment of age 62. Benefit payments commence when the eligible volunteer firefighter reaches age 65 and completes one year of active plan participation. The Plan also provides for death and disability benefits. Contributions to the Plan are determined on an actuarial basis. This amount is intended to provide full funding upon retirement. The Village shall administer the Firefighters Service Award Program pursuant to Article 11-A of the General Municipal Law. The Village collects from residents of the Fire Protection District, as part of the Village Tax bill, the appropriate revenue annually to fund said program.

The Village has retained an actuary to determine the amount of the Village's contributions to the plan.

The amount shown below as the pension benefit obligation is a standardized disclosure measure of the present value of earned Service Awards (i.e. for this purpose, a firefighter's earned Service Award is considered to be a pension benefit), estimated to be payable in the future as a result of volunteer firefighter service rendered to date. The difference between the pension benefit obligation and the accumulated plan assets is the unfunded portion of the pension benefit obligation (i.e. the unfunded pension benefit obligation which in the case in the actuarial present value of the unfunded earned Service Awards). This measure is intended to assess the funding status of the Village's Service Award Program on a going concern basis and sees progress made in accumulating sufficient assets to pay earned Service Awards when due. The calculation of the pension benefit obligation is independent of the actuarial funding method used to determine annual contributions payable to the Service Award Program Trust Fund.

The total pension liability for the December 31, 2021 measurement date was determined using an actuarial valuation as of that date. The changes in the total pension liability are listed below:

Changes in the Total Pension Liability

Balance as of December 31, 2020	$1,517,017
Service Cost	46,917
Interest	29,781
Changes in assumptions or other inputs	(76,500)
Differences between actual and expected experience	21,982
Benefit payments	(41,750)
Net Changes	($19,570)
Balance as of December 31, 2021 measurement date	$1,497,447

TAX INFORMATION

Real Property Taxes

The Village derives its power to levy an ad valorem real property tax from the Constitution of the State. The Village's power to levy real property taxes, other than for debt service and certain other purposes, is limited by the State Constitution to two percent of the five-year average full valuation of taxable property of the Village. The State Board 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 aids and are used by many localities in the calculation or debt contracting and real property taxing limitations. (See "*Tax Limit*" herein.)

The following table sets forth the percentage of the Village's General Fund revenue (excluding other financing sources) comprised of real property taxes for each of the fiscal years 2018 through 2022, and, as budgeted, for the year ending May 31, 2023.

Fiscal Year Ending May 31:	Total Revenue	Property Taxes	Property Taxes To Revenues (%)
2018	$2,030,588	$1,607,056	79.14
2019	2,126,709	1,648,065	77.49
2020	2,249,421	1,691,276	75.19
2021	2,212,737	1,731,903	78.27
2022	2,363,116	1,763,500	74.63
2023 (Budgeted)	2,881,538	1,822,495	63.25

a. Budgeted revenues include the application of reserves and fund balance.
Source: Audited financial statements 2018 through 2022 and the adopted budget for the fiscal year ending May 31, 2023.

Tax Collection Procedure

The collection and enforcement of real property taxes is governed by the Real Property Tax Law of the State.

The Village is responsible for levying its own real property taxes pursuant to resolution and such taxes become a lien of the first day of June in each year. Taxes may be paid without penalty at any time during the month of June. Late payments are assessed a 5% penalty for the first month or fraction thereof and 1% each month thereafter up to a maximum of 11%.

Pursuant to an agreement between the Village and County, unpaid Village taxes are enforced by the County. The Village transmits to the County a list of taxes unpaid at the expiration of the tax warrant on February 1. The County pays the Village the full amount of unpaid taxes including accrued interest by March 25. Thus, the full amount of the Village's real property tax levy is recorded as revenue in the fiscal year of levy.

Tax Levy Limit Law

Prior to the enactment of Chapter 97 of the New York Laws of 2011 (the "Tax Levy Limit Law") on June 24, 2011, all the taxable real property within the Village had been subject to the levy of ad valorem taxes to pay the bonds and notes of the Village and interest thereon without limitation as to rate or amount. However, the Tax Levy Limit Law, as amended, imposes a tax levy limitation upon the Village for any fiscal year commencing after January 1, 2012 without providing an exclusion for debt service on obligations issued by the Village. As a result, the power of the Village to levy real estate taxes on all the taxable real property within the Village to pay the bonds and notes of the Village and interest thereon is subject to statutory limitations set forth in Tax Levy Limit Law.

The following is a brief summary of certain relevant provisions of Tax Levy Limit Law. The summary is not complete and the full text of the Tax Levy Limit Law should be read in order to understand the details and implications thereof. The Tax Levy Limit Law imposes a limitation on increases in the real property tax levy of the Village, subject to certain exceptions. The Tax Levy Limit Law permits the Village to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor", which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by: (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, with the result expressed as a decimal to four places. The Village is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limit Law sets forth certain exclusions to the real property tax levy limitation of the Village, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Village. The Village Board is authorized to adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Village Board first enacts, by a vote of at least sixty percent of the total voting power of the governing board of the Village, a local law to override such limit for such coming fiscal year.

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

Tax Limit

The Constitution limits the amount that may be raised by the Village ad valorem tax levy on real estate in any fiscal year to two per centum (2%) of the five-year average full valuation of taxable real estate of the Village plus (1) the amounts required for principal and interest on all capital indebtedness, and (2) current appropriations for certain purposes. The tax limit for the Village for the 2022-2023 fiscal year is as follows:

Five-year Average Full Valuation	$328,177,762
Tax Limit - 2% thereof	6,563,555
Tax Levy for General Village Purposes	1,822,495
Less: Exclusions	142,298
Tax Levy Subject to Tax Limit	$1,680,197
Constitutional Tax Margin	$4,883,358

Tax Levy and Collection Record and Tax Rates

Fiscal Year Ending May 31:

	2019	2020	2021	2022	2023
Tax Levy	$1,679,432	$1,729,595	$1,784,721	$1,763,500	$1,874,651
Tax Collections	1,653,226	1,707,633	1,767,893	1,732,038	1,838,404
Amount Returned to County	26,206	22,737	16,828	31,462	36,247
Percent Taxes Collected	98.44%	98.73%	99.06%	98.22%	98.07%
Taxes Rate per $1,000 of Assessed Valuation	$11.09	$11.37	$11.39	$11.39	$11.59

Selected Listing of Large Taxable Properties

2021-2022 Assessment Roll

Name	Type	Assessed Valuation
Butterfield Realty LLC	Health bldg	$3,524,200
Schuyler Meadows Developmen	Apartment	1,592,500
Serroukas Constatine	Nbh shop ctr	1,177,700
Krupp Richard	Res Multiple	1,016,100
Sutton Marianne Dr	1 Family Res	865,800
First Rosemount Realty	Hotel	832,200
Hirockviews LLC	1 Family Res	800,000
APASA, LLC	Apartment	651,000
Central Hudson Gas & Elec Corp	Elec & gas	635,849
Antique Alley	Att row bldg	567,450
Burgoon Adam	Res Multiple	552,350
Kupper Aric S	1 Family Res	539,500
Andon Associates Inc	Att row bldg	497,800
Love 76 LLC	Converted Re	480,300
Tamagna Vincent M	1 Family Res	475,800
	Total [a]	$14,208,549

a. Represents 9.13% of the most recently available Total Taxable Assessed Valuation.

LITIGATION

In common with other villages, the Village from time to time receives notices of claim and is party to litigation. In the opinion of the Village Attorney, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no significant claims or actions pending in which the Village has not asserted a substantial and adequate defense, nor which, if determined against the Village, would have an adverse material effect on the financial conditions of the Village.

CYBERSECURITY

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

IMPACT OF COVID-19

On March 11, 2021, President Biden signed into law the American Rescue Plan Act of 2021 ("ARPA"). Included in this bill was $350 billion in direct aid to state and local governments. Payments to local governments will be made in two tranches, the first half 60 days after enactment and the second half one year later. The funding is available through, and must be spent by, September 30, 2024.

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

TAX MATTERS

Opinion of Bond Counsel

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

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

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

Certain Ongoing Federal Tax Requirements and Certifications

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

Certain Collateral Federal Tax Consequences

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

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

Original Issue Discount

"Original issue discount" ("OID") is the excess of the sum of all amounts payable at the stated maturity of a Note (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the "issue price" of a maturity (a note 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 Notes. In general, the issue price for each maturity of Notes is expected to be the initial public offering price set forth in this Official Statement. Bond Counsel further is of the opinion that, for any Notes having OID (a "Discount Note"), OID that has accrued and is properly allocable to the owners of the Discount Notes 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 Notes.

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

Owners of Discount Notes 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 Notes.

Note Premium

In general, if an owner acquires a note 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 note after the acquisition date (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates), that premium constitutes "note premium" on that note (a "Premium Note"). In general, under Section 171 of the Code, an owner of a Premium Note must amortize the note premium over the remaining term of the Premium Note, based on the owner's yield over the remaining term of the Premium Note, determined based on constant yield principles (in certain cases involving a Premium Note callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such note). An owner of a Premium Note must amortize the note premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner's regular method of accounting against the note premium allocable to that period. In the case of a tax-exempt Premium Note, if the note 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 Note may realize a taxable gain upon disposition of the Premium Note 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 Note should consult their own tax advisors regarding the treatment of note 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 note premium on, sale, exchange, or other disposition of Premium Notes.

Information Reporting and Backup Withholding

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

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

Miscellaneous

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

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

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes will be subject to the final approving opinion of the law firm of Hawkins Delafield & Wood LLP, Bond Counsel to the Village with respect to the Notes, which will be available at the time of delivery of the Notes, substantially in the form set forth in Appendix C.

DISCLOSURE UNDERTAKING

This Official Statement is in a form "deemed final" by the Village for the purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). At the time of the delivery of the Notes, the Village will provide an executed copy of its "Undertaking to Provide Notices of Events" (the "Undertaking") substantially in the form set forth in Appendix D.

RATING

The Notes are not rated.

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 Village 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 Notes and has reviewed and commented on certain legal documents, including this Official Statement. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the Village and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Village or the information set forth in this Official Statement or any other information available to the Village 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 Village Treasurer's office, Jeffrey Vidakovich, Village Clerk/Treasurer, Village of Cold Spring, 85 Main Street, Cold Spring, New York 10516, telephone number (845) 265-3611, email: vcsclerk@coldspringny.gov, 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.

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 District's management's beliefs as well as assumptions made by, and information currently available to, the 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 District's files with the repositories. When used in Village'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.

To the extent any statements made in this Official Statement involve matters of opinion or estimates whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Notes.

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 Village nor Munistat Services, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Munistat Services, Inc. and the Village disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Munistat Services, Inc. and the Village 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 Village and the original purchasers or owners of any of the Notes.

The preparation and distribution of this Official Statement has been authorized by various resolutions of the Village which delegates to the Village Treasurer the power to sell and issue the Notes.

By: s/s ___________________________
JEFFREY VIDAKOVICH
Village Clerk/Treasurer
Village of Cold Spring
Cold Spring, New York

April , 2023

APPENDIX A

FINANCIAL INFORMATION

Balance Sheets
General & Special Revenue Funds

	Fiscal Year Ending May 31, 2021:		
	General Fund	Water	Sewer
Assets:			
Cash and Cash Equivalents	$ 1,691,966	$ 559,389	$ 512,226
Receivables	11,002	61,488	36,918
Due From Other Funds	59,887	367,641	
Due From Other Governments	71,110		
State and Federal Receivables	20,776		
Prepaids	5,495	6,768	3,407
Total Assets	$ 1,860,236	$ 995,286	$ 552,551
Liabilities:			
Accounts Payable	$ 99,810	$ 25,381	$ 14,532
Accrued Liabilities	53,745	9,033	6,843
Due to Other Funds	55,326	77,663	309,044
Other Liabilities	38,858		
Total Liabilities	$ 247,739	$ 112,077	$ 330,419
Deferred Inflows of Resources	6,260		
Fund Balance:			
Nonspendable	5,495	6,768	3,407
Restricted			
Assigned	338,000	876,441	218,725
Unassigned	1,262,742		
Total Fund Balances	$ 1,606,237	$ 883,209	$ 222,132
Total Liabilities and Fund Balance	$ 1,860,236	$ 995,286	$ 552,551

Source: Audited Financial Statements of the Village (2021)
NOTE: This Schedule NOT audited

Balance Sheets
General & Special Revenue Funds

	Fiscal Year Ending May 31, 2022:		
	General Fund	Water	Sewer
Assets:			
Cash and Cash Equivalents	$ 1,969,562	$ 911,292	$ 272,530
Receivables	10,312	74,523	42,992
Due From Other Funds	199,478	95,361	2,515
Due From Other Governments	38,555		
State and Federal Receivables	12,541		
Prepaids	6,345	7,221	3,829
Total Assets	$ 2,236,793	$ 1,088,397	$ 321,866
Liabilities:			
Accounts Payable	$ 156,755	$ 18,417	$ 17,141
Accrued Liabilities	38,632	8,385	8,242
Due to Other Funds	173,318	99,510	39,088
Other Liabilities	50,104		
Total Liabilities	$ 418,809	$ 126,312	$ 64,471
Deferred Inflows of Resources	11,260		
Fund Balance:			
Nonspendable	6,345	7,221	3,829
Restricted			
Assigned	327,000	954,864	253,566
Unassigned	1,473,379		
Total Fund Balances	$ 1,806,724	$ 962,085	$ 257,395
Total Liabilities and Fund Equity	$ 2,236,793	$ 1,088,397	$ 321,866

Source: Audited Financial Statements of the Village (2022)
NOTE: This Schedule NOT audited

Statement of Revenues, Expenditures and Fund Balances
General Fund

	Fiscal Year Ending May 31:				
	2018	2019	2020	2021	2022
Revenues:					
Real Property Taxes & Tax Items	$ 1,607,056	$ 1,648,065	$ 1,691,276	$ 1,731,903	$ 1,774,454
Non-Property Taxes	40,451	56,909	46,382	44,579	45,955
Departmental Income	69,792	93,211	61,154	77,239	80,638
Intergovernmental Charges	118,493	116,214	112,611	97,925	97,220
Use of Money and Property	566	563	991	1,098	7,470
Licenses & Permits	24,913	28,136	28,102	1,882	42,599
Fines & Forfeitures	64,944	70,191	77,976	73,980	58,072
Sale of Property and Compensation for Loss	5,008	2,196	236	54,029	49,679
Miscellaneous Local Sources	3,461	2,135	5,559	2,488	24,255
State Aid	94,924	67,735	225,134	119,379	81,381
Federal Aid	980	41,354		8,235	101,393
Total Revenues	$ 2,030,588	$ 2,126,709	$ 2,249,421	$ 2,212,737	$ 2,363,116
Expenditures:					
General Government Support	388,155	463,578	418,337	407,671	575,828
Public Safety	550,511	585,258	584,044	544,227	673,805
Health	1,575	1,682	1,525	1,597	1,627
Transportation	286,277	301,258	402,460	299,717	278,964
Culture and Recreation	30,543	21,428	24,515	21,456	22,420
Home and Community Services	134,821	189,285	174,870	209,483	249,857
Employee Benefits	470,849	430,654	411,430	400,944	396,128
Debt Service					
Total Expenditures	$ 1,862,731	$ 1,993,143	$ 2,017,181	$ 1,885,095	$ 2,198,629
Other Financing Sources (Uses):					
Proceeds From:					
Proceeds of Debt					
Operating Transfers In	54,000	44,000	40,000	36,000	36,000
Operating Transfers Out					
Total Other Financing Sources (Uses)	54,000	44,000	40,000	36,000	36,000
Excess (Deficiency) of Revenues & Other Financing Sources Over Expenditures & Other Uses	221,857	177,566	272,240	363,642	200,487
Fund Balance Beginning of Year	570,932	792,789	970,355	1,242,595	1,606,237
Prior Period Adjustments					
Fund Balance End of Year	$ 792,789	$ 970,355	$ 1,242,595	$ 1,606,237	$ 1,806,724

Sources: Audited Annual Financial Statements of the Village (2018-2022)

NOTE: This Schedule NOT audited

Statement of Revenues, Expenditures and Fund Balances
Water

	Fiscal Year Ending May 31:				
	2018	2019	2020	2021	2022
Revenues:					
Departmental Income	$ 570,037	$ 579,928	$ 572,697	$ 606,870	$ 599,178
Use of Money and Property	1,405	565	954	1,293	413
Miscellaneous Local Sources	7,491	2,657	7,809	8,246	7,558
Total Revenues	$ 578,933	$ 583,150	$ 581,460	$ 616,409	$ 607,149
Expenditures:					
General Government Support	36,959	33,524	47,272	43,735	45,873
Home and Community Services	264,870	257,913	234,717	248,257	287,215
Employee Benefits	56,979	61,207	71,632	77,414	80,188
Debt Service	276,125	135,420	93,773	164,535	96,997
Total Expenditures	$ 634,933	$ 488,064	$ 447,394	$ 533,941	$ 510,273
Other Financing Sources (Uses):					
Proceeds From:					
Proceeds of Debt					
BANs redeemed from Appropriations					
Operating Transfers In					
Operating Transfers Out	(27,000)	(22,000)	(20,000)	(18,000)	(18,000)
Total Other Financing Sources (Uses)	(27,000)	(22,000)	(20,000)	(18,000)	(18,000)
Excess (Deficiency) of Revenues & Other Financing Sources Over Expenditures & Other Uses	(83,000)	73,086	114,066	64,468	78,876
Fund Balance Beginning of Year	714,589	631,589	704,675	818,741	883,209
Fund Balance End of Year	$ 631,589	$ 704,675	$ 818,741	$ 883,209	$ 962,085

Sources: Audited Annual Financial Statements of the Village (2018-2022)

NOTE: This Schedule NOT audited.

Statement of Revenues, Expenditures and Fund Balances
Sewer

	Fiscal Year Ending May 31: 2018	2019	2020	2021	2022
Revenues:					
Departmental Income	$ 473,345	$ 533,292	$ 534,562	$ 557,372	$ 555,584
Use of Money and Property	5,524	5,061	8,516	9,506	8,207
Miscellaneous Local Sources				6,025	
State Aid			9,227		
Federal Aid	7,380		12,524		
Total Revenues	$ 486,249	$ 538,353	$ 564,829	$ 572,903	$ 563,791
Expenditures:					
General Government Support	23,193	22,287	27,807	27,043	29,143
Home and Community Services	186,308	226,326	212,036	195,106	256,191
Employee Benefits	70,678	77,795	86,573	95,985	92,915
Debt Service	104,361	117,002	129,775	348,447	132,279
Total Expenditures	$ 384,540	$ 443,410	$ 456,191	$ 666,581	$ 510,528
Other Financing Sources (Uses):					
Proceeds From:					
BANs redeemed from appropriations					
Operating Transfers In					
Operating Transfers Out	(27,000)	(22,000)	(20,000)	(18,000)	(18,000)
Total Other Financing Sources (Uses)	(27,000)	(22,000)	(20,000)	(18,000)	(18,000)
Excess (Deficiency) of Revenues & Other Financing Sources Over Expenditures & Other Uses	74,709	72,943	88,638	(111,678)	35,263
Fund Balance Beginning of Year	97,520	172,229	245,172	333,810	222,132
Fund Balance End of Year	$ 172,229	$ 245,172	$ 333,810	$ 222,132	$ 257,395

Sources: Annual Financial Statements of the Village (2017-2021)

NOTE: This Schedule NOT audited.

Budget Summaries
General Fund

		Fiscal Year Ending May 31, 2023	
	General	Water	Sewer
Revenues:			
Real Property Taxes	$ 1,822,495	$ 591,871	$
Real Property Tax Items	25,800		
Departmental Income	359,965		556,090
Use of Money and Property			
Licenses & Permits			
Fines & Forfeitures		6,800	3,520
Sale of Property & Insurances			
State Aid	310,278		
Federal Aid			
Interfund Revenues	363,000		
Appropriations of Fund Balance			
Fund Balance Transfer		237,000	50,149
Miscellaneous		500	
Total Revenues	$ 2,881,538	$ 836,171	$ 609,759
Expenditures:			
General Government Support	$ 832,682	$ 53,913.00	$ 35,656.00
Public Safety	649,272		
Health	6,600		
Transportation	650,960		
Culture and Recreation	40,359		
Home and Community Services	277,189	571,389	323,645.00
Employee Benefits	424,476	92,104.00	111,036.00
Debt Service		118,765.00	139,422.00
Transfer to Other Funds			
Total Expenditures	$ 2,881,538	$ 836,171	$ 609,759

Sources: Adopted Budget from The Village of Cold Spring

Budget Summaries
General Fund

	Fiscal Year Ending May 31, 2022		
	General	Water	Sewer
Revenues:			
Real Property Taxes	$ 1,760,350	$	$
Real Property Tax Items	25,300		
Departmental Income	277,058	576,553	543,980
Use of Money and Property		500	8,321
Licenses & Permits			
Fines & Forfeitures		6,800	3,800
Sale of Property & Insurances			
State Aid	215,014		
Federal Aid			
Interfund Revenues	374,000		
Appropriations of Fund Balance			
Fund Balance Transfer		90,000	
Miscellaneous		500	
Total Revenues	$ 2,651,722	$ 674,353	$ 556,101
Expenditures:			
General Government Support	$ 718,101	$ 52,451	$ 44,301
Public Safety	669,697		
Health	1,600		
Transportation	531,659		
Culture and Recreation	35,407		
Home and Community Services	224,206	429,026	265,037
Employee Benefits	471,052	78,148	94,385
Debt Service		96,728	134,378
Transfer to Other Funds		18,000	18,000
Total Expenditures	$ 2,651,722	$ 674,353	$ 556,101

Sources: 2021-2022 Budget of the Village of Cold Spring

VILLAGE OF COLD SPRING

APPENDIX B

AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MAY 31, 2022

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

VILLAGE OF COLD SPRING, NEW YORK

Basic Financial Statements,
Supplementary Information and
Independent Auditors' Report

May 31, 2022

VILLAGE OF COLD SPRING, NEW YORK

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VILLAGE OF COLD SPRING, NEW YORK

Table of Contents, Continued

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EFPR GROUP, CPAs PLLC

6390 Main Street, Suite 200
Williamsville, NY 14221

P 716.634.0700
TF 800.546.7556
F 716.634.0764
W EFPRgroup.com

INDEPENDENT AUDITORS' REPORT

To the Mayor and Members of the
Village Board of Trustees
Village of Cold Spring, New York:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the proprietary fund of the Village of Cold Spring, New York (the Village), as of and for the year ended May 31, 2022, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the proprietary fund of the Village, as of May 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 4, 2023 on our consideration of the Village'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 solely 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 Village'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 Village's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
January 4, 2023

Overview of the Financial Statements

These audited financial statements consist of three parts. The management's discussion and analysis (this section), the basic financial statements and required supplementary information. The basic financial statements consist of the government-wide financial statements, fund financial statements and notes to financial statements.

- Government-wide financial statements provide both long-term and short-term information about the Village's overall financial status. They report information about the Village as a whole using accounting methods similar to private sector companies.

- Fund financial statements focus on the individual parts of the Village's government, reporting the Village's operations in more detail than the government-wide financial statements. They focus on the most significant or "major" funds, not the Village as a whole. See note 1 to the financial statements for information regarding individual types of funds.

- Notes to financial statements provide further explanation and support for the information contained in the financial statements.

Financial Analysis of the Village as a Whole

	2022	2021	Change
Assets:			
Non-capital	$ 5,394,842	4,814,461	580,381
Capital	3,702,049	3,882,767	(180,718)
Total assets	9,096,891	8,697,228	399,663
Deferred outflows of resources	767,571	980,769	(213,198)
Liabilities:			
Current	2,486,741	2,566,835	(80,094)
Noncurrent	5,278,915	6,055,711	(776,796)
Total liabilities	7,765,656	8,622,546	(856,890)
Deferred inflows of resources	856,963	830,645	26,318
Net position:			
Net investment in capital assets	1,908,132	1,908,118	14
Restricted for capital asset acquisition	15,529	15,527	2
Unrestricted (deficit)	(681,818)	(1,698,839)	1,017,021
Total net position	$ 1,241,843	224,806	1,017,037

	2022	2021	Change
Revenue:			
Program revenue:			
Charges for services	$ 1,332,618	1,339,376	(6,758)
Operating grants	173,774	124,122	49,652
Capital grants	9,058	32,551	(23,493)
Total program revenue	1,515,450	1,496,049	19,401
General revenue:			
Real property taxes	1,763,500	1,722,974	40,526
Real property tax items	10,954	8,929	2,025
Non property tax items	45,955	44,579	1,376
Use of money and property	16,092	11,907	4,185
Licenses and permits	42,599	1,882	40,717
Fines and forfeitures	58,072	73,980	(15,908)
Sale of property and compensation for loss	49,679	54,029	(4,350)
Gain on investments, net - LOSAP	52,792	68,182	(15,390)
Miscellaneous	31,813	66,604	(34,791)
Total general revenue	2,071,456	2,053,066	18,390
Total revenue	3,586,906	3,549,115	37,791
Expenses:			
General government support	739,496	515,968	223,528
Public safety	849,365	816,757	32,608
Health	2,270	2,340	(70)
Transportation	238,676	345,781	(107,105)
Culture and recreation	39,714	41,183	(1,469)
Home and community services	649,909	848,991	(199,082)
Debt service	50,439	54,631	(4,192)
Total expenses	2,569,869	2,625,651	(55,782)
Change in net position	$ 1,017,037	923,464	93,573

Governmental Funds

General Fund

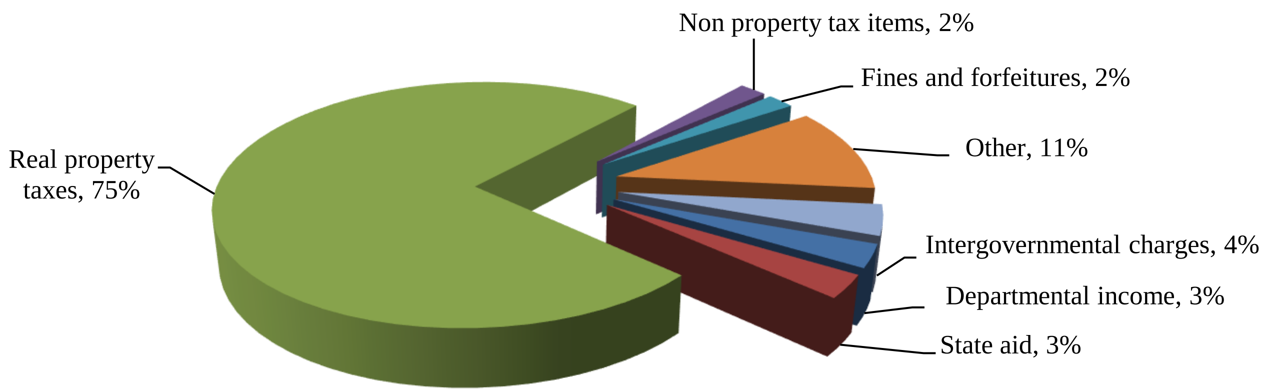
The majority of activity for the Village is located in the General Fund. The General Fund was budgeted to utilize $338,000 of fund balance. Fund balance in the General Fund increased $200,487 from 2021 to 2022. This increase was due to net budgetary gains as revenue was $51,967 over budget and expenditures were $486,520 under budget.

The Village's tax base and tax levy remain fairly consistent from year to year. Over the past several years the Village has been able to increase the fund balance. The Board of Trustees reviews the budget versus actual on a monthly basis. If a certain line item goes over budget, the Board passes a resolution for the transfer of money from another line item to cover the overages.

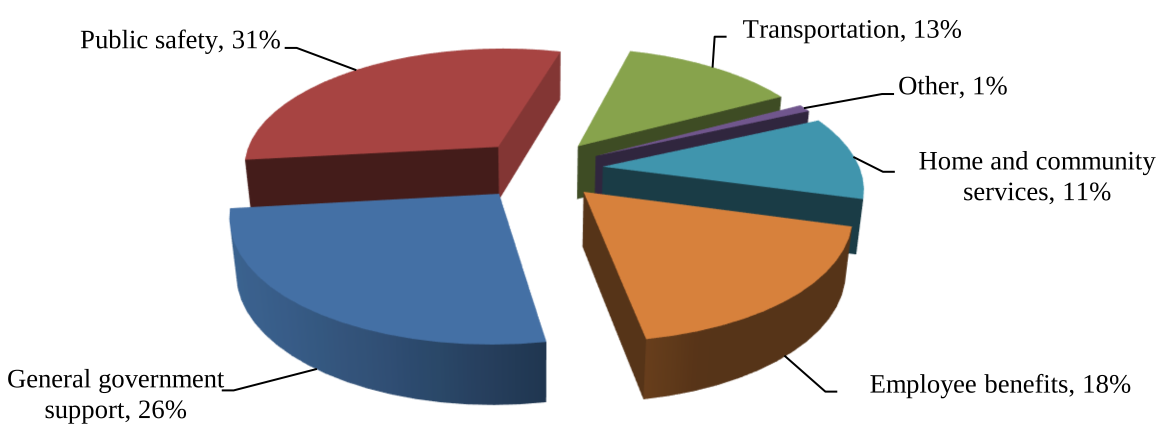
At May 31, 2022, General Fund fund balance was $1,806,724.

The following charts describe significant categories of General Fund revenue and expenditures:

General Fund Revenue 2022



General Fund Expenditures 2022



Water Fund

The Water Fund was budgeted to utilize $205,000 of fund balance for the year ended May 31, 2022. Actual fund balance increased by $78,876. This savings was primarily the result of actual expenditures being $261,811 less than budgeted in the home and community services category as purification and distribution expenditures were lower than estimated. At May 31, 2022, the Water Fund balance was $962,085.

Sewer Fund

Fund balance in the Sewer Fund increased by $35,263 from 2021 to 2022. This increase was primarily the result of expenditures for repairs and improvements being less than budgeted. At May 31, 2022, the Sewer Fund balance was $257,395.

Activities Regarding Capital Assets and Debt

Capital Assets

Capital asset additions were $224,877 and depreciation was $405,037. A more detailed discussion can be found in note 2(a)(4).

Bond Anticipation Notes

The Village has issued bond anticipation notes (BANs) to provide interim financing for capital projects until the BANs can be refinanced through serial bonds. At May 31, 2022, $2,133,050 in BANs were outstanding.

Long-Term Debt

The Village has issued serial bonds to provide long-term financing for capital assets acquisitions. The amounts outstanding at May 31, 2022 for this debt totaled $520,000.

Contacting the Village

This financial report is designed to provide the reader with a general overview of the Village's finances and to demonstrate the Village's accountability for the funds it receives. Requests for additional information can be directed to:

Jeff Vidakovich
Village Clerk
Village of Cold Spring
85 Main Street
Cold Spring, New York 10516

VILLAGE OF COLD SPRING, NEW YORK

Statement of Net Position

May 31, 2022

Assets	
Current assets:	
Cash and equivalents	$ 4,039,003
Receivables	127,827
Due from other governments	38,555
State and federal aid receivables	12,541
Prepaids	18,945
Total current assets	4,236,871
Investments - LOSAP	992,707
Net pension asset - proportionate share	165,264
Capital assets:	
Not being depreciated	107,475
Being depreciated, net	3,594,574
Total assets	9,096,891
Deferred Outflows of Resources	
Pensions and LOSAP	767,751
Liabilities	
Accounts payable	192,313
Accrued liabilities	61,274
Other liabilities	50,104
Bond anticipation notes	2,133,050
Bonds due within one year	50,000
Noncurrent liabilities:	
Bonds due in more than one year	470,000
Compensated absences	47,362
Total OPEB liability	3,250,774
Net pension liability, proportionate share	13,332
Net pension liability - LOSAP	1,497,447
Total liabilities	7,765,656
Deferred Inflows of Resources	
Grant advances	11,260
Pensions and LOSAP	845,703
Total deferred inflows of resources	856,963
Net Position	
Net investment in capital assets	1,908,132
Restricted for capital asset acquisition	15,529
Unrestricted (deficit)	(681,818)
Total net position	$ 1,241,843

See accompanying notes to financial statements.

VILLAGE OF COLD SPRING, NEW YORK

Statement of Activities

Year ended May 31, 2022

		Program Revenue			Net (Expense) Revenue and Change in Net Position
Functions	Expenses	Charges for services	Operating grants	Capital grants	
Governmental activities:					
General government support	$ 739,496	-	173,774	-	(565,722)
Public safety	849,365	118,547	-	-	(730,818)
Health	2,270	2,489	-	-	219
Transportation	238,676	38,243	-	-	(200,433)
Culture and recreation	39,714	9,125	-	-	(30,589)
Home and community services	649,909	1,164,214	-	9,058	523,363
Debt service	50,439	-	-	-	(50,439)
Total governmental activities	$ 2,569,869	1,332,618	173,774	9,058	(1,054,419)
General revenue:					
Real property taxes					1,763,500
Real property tax items					10,954
Non property tax items					45,955
Use of money and property					16,092
Licenses and permits					42,599
Fines and forfeitures					58,072
Sale of property and compensation for loss					49,679
Gain on investments, net - LOSAP					52,792
Miscellaneous					31,813
Total general revenue					2,071,456
Change in net position					1,017,037
Net position at beginning of year					224,806
Net position at end of year					$ 1,241,843

See accompanying notes to financial statements.

VILLAGE OF COLD SPRING, NEW YORK
Balance Sheet - Governmental Funds
May 31, 2022

Assets	General	Water	Sewer	Capital Projects	Total Governmental Funds
Cash and equivalents	$ 1,969,562	911,292	272,530	859,133	4,012,517
Receivables	10,312	74,523	42,992	-	127,827
Due from other funds	199,478	95,361	2,515	35,655	333,009
Due from other governments	38,555	-	-	-	38,555
State and federal aid receivables	12,541	-	-	-	12,541
Prepaid expenditures	6,345	7,221	3,829	-	17,395
Total assets	$ 2,236,793	1,088,397	321,866	894,788	4,541,844
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	156,755	18,417	17,141	-	192,313
Accrued liabilities	38,632	8,385	8,242	-	55,259
Due to other funds	173,318	99,510	39,088	21,093	333,009
Other liabilities	50,104	-	-	-	50,104
Bond anticipation note	-	-	-	2,133,050	2,133,050
Total liabilities	418,809	126,312	64,471	2,154,143	2,763,735
Deferred inflows of resources - grant advances	11,260	-	-	-	11,260
Fund balance (deficit):					
Nonspendable	6,345	7,221	3,829	-	17,395
Restricted for capital asset acquisition	-	-	-	15,529	15,529
Assigned	327,000	954,864	253,566	-	1,535,430
Unassigned	1,473,379	-	-	(1,274,884)	198,495
Total fund balances (deficit)	1,806,724	962,085	257,395	(1,259,355)	1,766,849
Total liabilities, deferred inflows of resources and fund balances (deficit)	$ 2,236,793	1,088,397	321,866	894,788	4,541,844

See accompanying notes to financial statements.

VILLAGE OF COLD SPRING, NEW YORK
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
May 31, 2022

Fund balance - total governmental funds	$	1,766,849
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		3,702,049
Long-term assets are not available in the current period and, therefore, are not reported in the funds:		
Net pension asset, proportionate share		165,264
Interest expense is recorded on the cash basis in the funds but on the accrual basis for governmental activities.		(6,015)
The internal service fund is recorded separately at the fund level but blended with governmental activities in the statement of net position.		(257,661)
Some deferred outflows and inflows of resources are not reported in the funds. These consist of the following:		
Deferred outflows of resources - pensions		423,683
Deferred inflows of resources - pensions		(720,858)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Serial bonds payable		(520,000)
Compensated absences		(47,362)
Total OPEB liability		(3,250,774)
Net pension liability, proportionate share		(13,332)
Net position of governmental activities	$	1,241,843

See accompanying notes to financial statements.

VILLAGE OF COLD SPRING, NEW YORK

Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds

Year ended May 31, 2022

	General	Water	Sewer	Capital Projects	Total Governmental Funds
Revenue:					
Real property taxes	$ 1,763,500	-	-	-	1,763,500
Real property tax items	10,954	-	-	-	10,954
Non property tax items	45,955	-	-	-	45,955
Departmental income	80,638	599,178	555,584	-	1,235,400
Intergovernmental charges	97,220	-	-	-	97,220
Use of money and property	7,470	413	8,207	2	16,092
Licenses and permits	42,599	-	-	-	42,599
Fines and forfeitures	58,072	-	-	-	58,072
Sale of property and compensation for loss	49,679	-	-	-	49,679
Miscellaneous	24,255	7,558	-	-	31,813
State aid	81,381	-	-	56	81,437
Federal aid	101,393	-	-	-	101,393
Total revenue	2,363,116	607,149	563,791	58	3,534,114
Expenditures:					
General government support	575,828	45,873	29,143	-	650,844
Public safety	673,805	-	-	-	673,805
Health	1,627	-	-	-	1,627
Transportation	278,964	-	-	-	278,964
Culture and recreation	22,420	-	-	-	22,420
Home and community services	249,857	287,215	256,191	-	793,263
Employee benefits	396,128	80,188	92,915	-	569,231
Debt service:					
Principal	-	78,000	102,000	-	180,000
Interest	-	18,997	30,279	-	49,276
Total expenditures	2,198,629	510,273	510,528	-	3,219,430
Excess of revenue over expenditures	164,487	96,876	53,263	58	314,684
Other financing sources (uses):					
Operating transfers in	36,000	-	-	-	36,000
Operating transfers out	-	(18,000)	(18,000)	-	(36,000)
BANs redeemed from appropriations	-	-	-	130,000	130,000
Total other financing sources (uses)	36,000	(18,000)	(18,000)	130,000	130,000
Change in fund balances	200,487	78,876	35,263	130,058	444,684
Fund balances (deficit) at beginning of year	1,606,237	883,209	222,132	(1,389,413)	1,322,165
Fund balances (deficit) at end of year	$ 1,806,724	962,085	257,395	(1,259,355)	1,766,849

See accompanying notes to financial statements.

VILLAGE OF COLD SPRING, NEW YORK
Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities
Year ended May 31, 2022

Net change in fund balance - total governmental funds	$ 444,684
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays are expenditures in the governmental funds, but are capitalized in the statement of net position.	224,319
Depreciation is not recorded as an expenditure in the governmental funds, but is recorded in the statement of activities.	(405,037)
Repayment of bond principal is an expenditure in the governmental funds, but the repayments reduce long-term liabilities in the statement of net position.	50,000
Reductions of capital lease obligations are expenditures in the governmental funds, but the repayments reduce long-term liabilities in the statement of net position.	731
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:	
Compensated absences	3,562
Total OPEB liability	648,863
Net change in pensions	85,268
Interfund activity is eliminated when the internal service fund is blended with governmental activities	(34,190)
Interest is accrued on the outstanding debt in the statement of net position but is not recorded in the governmental funds.	(1,163)
Change in net position of governmental activities	$ 1,017,037

See accompanying notes to financial statements.

VILLAGE OF COLD SPRING, NEW YORK
Statement of Proprietary Net Position - Internal Service Fund
May 31, 2022

	Volunteer Firefighter Length of Service Award Program
Assets:	
Cash and equivalents	$ 26,486
Investments:	
U.S. equities	205,475
International equities	163,443
Fixed income	570,646
Other assets	53,143
Total investments	992,707
Prepaid expenses	1,550
Contributions receivable	27,443
Total assets	1,048,186
Deferred outflows of resources - net pension liability - LOSAP	343,888
Liabilities - net pension liability - LOSAP	1,497,447
Deferred inflows of resources - net pension liability - LOSAP	124,845
Net position (deficit)	$ (230,218)

See accompanying notes to financial statements.

VILLAGE OF COLD SPRING, NEW YORK
Statement of Changes in Proprietary Net Position - Internal Service Fund
Year ended May 31, 2022

	Volunteer Firefighter Length of Service Award Program
Operating revenue - charges for services	$ 41,750
Operating expenses:	
Administrative expenses	6,650
Employee benefits	123,685
Total operating expenses	130,335
Loss from operations	(88,585)
Non-operating revenue - net investment gain	52,792
Change in net position	(35,793)
Net position (deficit) at beginning of year	(194,425)
Net position (deficit) at end of year	$ (230,218)

See accompanying notes to financial statements.

VILLAGE OF COLD SPRING, NEW YORK
Statement of Proprietary Cash Flows - Internal Service Fund
Year ended May 31, 2022

	Volunteer Firefighter Length of Service Award Program
Cash flows from operating activities:	
Contributions to program	$ 43,353
Payments for benefits	(43,966)
Payments for operating expenses	(6,650)
Net cash used in operating activities	(7,263)
Cash flows from investing activities - net investment activity	(115,760)
Net change in cash and equivalents	(123,023)
Cash and equivalents at beginning of year	149,509
Cash and equivalents at ending of year	$ 26,486
Reconciliation of loss from operations to net cash used in operating activities:	
Loss from operations	(88,585)
Adjustments to reconcile operating loss to net cash used in operating activities - changes in:	
Prepaid expenses	(430)
Contributions receivable	1,603
Deferred outflows of resources - net pension liability - LOSAP	48,153
Net pension liability - LOSAP	(19,570)
Deferred inflows of resources - net pension liability - LOSAP	51,566
Net cash used in operating activities	$ (7,263)

See accompanying notes to financial statements.

(1) Summary of Significant Accounting Policies

The Village of Cold Spring, New York's (the Village) financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP and used by the Village in preparing its government-wide and fund financial statements are discussed below.

(a) Financial Reporting Entity

The Village was established in April 1846, and operates in accordance with Village law and the various other applicable laws of the State of New York. The Village operates under a Village Board form of government, consisting of a Mayor and four Trustees. The Mayor serves as the Chief Executive Officer and Chief Fiscal Officer of the Village.

The Village provides the following services: highway maintenance, police protection, water, sewer, garbage and recycling collections, planning, zoning, building and safety inspection, lighting, and culture and recreation.

The Village, for financial purposes, includes all of the funds relevant to the operations of the Village. The financial statements include organizations, functions and activities that are controlled by or dependent upon the Village. Control or dependence is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing board. Under these criteria, no other entities are included in the Village's financial statements.

(b) Basic Financial Statements - Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type activities. The Village's parks and recreation, public works, and general administrative services are classified as governmental activities. The Village's water and sewer services are also classified as governmental activities since user fees are not intended to cover all costs including depreciation. The Village has no funds which are classified as business-type activities.

In the government-wide statement of net position, the governmental activities column is presented on a consolidated basis, and is reported on a full accrual, economic resource basis, which recognizes all long-term assets, deferred outflows of resources, liabilities and deferred inflows of resources. The Village's net position is reported in three parts - net investment in capital assets; restricted net position; and unrestricted net position. The Village first utilizes restricted resources to finance qualifying activities.

(1) Summary of Significant Accounting Policies, Continued

(b) Basic Financial Statements - Government-Wide Statements, Continued

The government-wide statement of activities reports both the gross and net cost of each of the Village's functions or activities. The functions are also supported by general government revenues (property taxes, fines and permits, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues, which include charges for services, operating and capital grants. Program revenues must be directly associated with the function (public works, community and youth services, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs are normally financed by general revenue (property, mortgage taxes, interest income, etc).

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

(c) Basic Financial Statements - Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type; and,
- Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The following fund types are used by the Village:

Governmental Funds - The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The following is a description of the governmental funds of the Village:

(1) Summary of Significant Accounting Policies, Continued

(c) Basic Financial Statements - Fund Financial Statements, Continued

(1) General fund - is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is considered a major fund and is presented separately.

(2) Water and sewer funds - are funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

(3) Capital projects fund - is used to account for financial resources to be used for the acquisition and construction of major capital facilities. The capital projects fund is considered a major fund and is presented separately. However, no budgetary comparison schedule is presented as required supplementary information, as the Village is not legally required to adopt an annual budget for the capital projects fund.

Proprietary Fund - The proprietary fund includes the internal service fund. The internal service fund accounts for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The Village accounts for its Volunteer Firefighter Length of Service Award Program (LOSAP) as an internal service fund.

Fund Balance - Fund balance is broken down into five different classifications: nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.
- Restricted consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.
- Committed consists of amounts that are subject to a purpose constraint imposed by a formal action of the government’s highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint. The Board is the decision-making authority that can, prior to the end of the fiscal year, commit fund balance.

(1) Summary of Significant Accounting Policies, Continued

(c) Basic Financial Statements - Fund Financial Statements, Continued

- Assigned consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

- Unassigned represents the residual classification for the government's General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When resources are available from multiple classifications, the Village spends funds in the following order: restricted, committed, assigned, unassigned.

(d) Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

- Accrual - The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

- Modified Accrual - The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (l) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued; (2) principal and interest on general long-term debt which is recognized when due; and (3) expenditures for inventory type items which are recognized at the time of purchase.

(1) Summary of Significant Accounting Policies, Continued

(e) Concentrations of Credit Risk

Financial institutions that potentially subject the Village to concentrations of credit risk consist principally of cash and equivalents. The Village places its cash in one financial institution. At times, cash balances may exceed Federal Deposit Insurance Corporation (FDIC) insurance limits, which are fully collateralized with securities held by a third party custodian.

(f) Capital Assets

Capital assets purchased or acquired with an original cost of $500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	30 years
Infrastructure - Water and sewer	40 years
Infrastructure - Roads	15 years
Machinery and equipment	5-30 years
Improvements	10-30 years

GASB Statement No. 34 requires the Village to report and depreciate infrastructure assets. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Village.

(g) Accumulated Compensated Absences

Paid time off (PTO) days are accumulated on an individual basis for employees of the Village up to specified limits. The Village accrues a liability for future payment of these compensated absences when the following criteria are met:

- The Village's obligations relating to employees' rights to compensation for future absences is attributable to employee's services already rendered;
- The obligation relates to rights that vest or accumulate;
- Payment of the compensation is probable;
- The amount can be reasonably estimated.

In accordance with the above criteria, the Village has accrued a liability for compensated absences, which have been earned but not taken by Village employees as of May 31, 2022, in the amount of $47,362.

The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations. It is anticipated that none of these liabilities will be liquidated with expendable available financial resources.

(1) Summary of Significant Accounting Policies, Continued

(h) Postemployment Benefits

In addition to providing pension benefits, the Village provides optional health insurance coverage and other benefits for retired employees. Depending on hire date, employees hired prior to September 30, 2016 must have at time of retirement accumulated 150 or 180 banked paid time off (PTO) days. Effective June 1, 2017, these employees must have been employed by the Village for at least 10 years and the total of their age plus years of service must be at least 75 at the time of retirement. Full time employees hired on or after September 30, 2016, must be at least 60 years of age and must have been employed by the Village for at least 20 years at the time of retirement. Health care benefits and survivor benefits are provided for retirees through an insurance company whose premiums are based on the benefits paid during the year. The Village recognizes the cost of providing benefits by recording the insurance premiums and other items as expenditures in the year paid.

(i) Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

(j) Budgets

The Village formally adopts a budget according to Village law. During the year, a budget was adopted and modified by the Village Board for the General Fund and special revenue funds. However, for the capital projects fund, budgets are established at the project level and continue until the project is completed. Unused appropriations of the annually budgeted funds lapse at the end of the year.

(k) Property Taxes

The Village submits an approved budget to Putnam County by May 1 of the previous year. The County then establishes the warrant for the year which is due and payable on or about June 1st. The Village collects the tax on behalf of itself without penalties through June 30th and with penalties and interest through January 31st. The County assumes all enforcement responsibility after that date.

(l) Allowance for Uncollectible Accounts

The Village does not maintain an allowance for uncollectible accounts. After one year, taxes and accounts past due for services rendered within the Village are placed on the County tax rolls and reimbursed to the Village by the County.

(1) Summary of Significant Accounting Policies, Continued

(m) Estimates

The preparation of financial statement in accordance with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(n) Fair Value Measurement

GAAP establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under generally accepted accounting principles are as follows:

- Level 1 - Valuations are based on quoted prices in active markets for identical asset or liabilities that the component units have the ability to access.
- Level 2 - Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable directly, or indirectly.
- Level 3 - Valuations are based on inputs that are unobservable and significant to the overall fair value measurement.

Fair Value of Financial Statements - The fair value of financial instruments classified as current assets or liabilities, including cash, investments, accounts receivable, and accounts payable and accrued expenses approximate carrying value, principally because of the short maturity of those items. Bonds payable are carried at cost, which approximates the fair value based on current rates at which the Village could borrow funds with similar maturities.

(2) Detailed Notes on All Funds

(a) Assets

(1) Cash and Equivalents

Cash includes amounts in demand and time deposits as well as short-term investments. State statutes and its own investment policy govern the investment policies of the Village. Special time deposits and certificates of deposit not covered by FDIC must be collateralized by the banking institutions with investments governed under state statutes.

(2) Detailed Notes on All Funds, Continued

(a) Assets, Continued

(1) Cash and Equivalents, Continued

The cash balances of the Village's governmental funds at May 31, 2022, is as follows:

	General Fund	Water Fund	Sewer Fund	Capital Projects Fund	Total
Non-interest bearing accounts	$ 300	-	-	-	300
Interest bearing accounts	1,969,262	911,292	272,530	859,133	4,012,217
Total	$ 1,969,562	911,292	272,530	859,133	4,012,517

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. While the Village does not have a specific policy for custodial credit risk, New York State statues govern the Village's investment policies, as discussed previously in these notes. GASB Statement No. 40 - "Deposit and Investment Risk Disclosure," directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, or collateralized by securities held by the Village or its agent in the Village's name. The Village's cash balances were fully collateralized with securities held by the Village's third party custodian and were not subject to custodial credit risk.

(2) Receivables

Receivables at May 31, 2022 consist of the following:

	General Fund	Water Fund	Sewer Fund	Total
Other	$ 10,312	-	-	10,312
Charges for services	-	74,523	42,992	117,515
Total	$ 10,312	74,523	42,992	127,827

(3) Interfund Activity

Interfund balances have been eliminated as part of the aggregation of fund balances. Such balances arise through the use of a pooled cash disbursement account and the temporary funding of capital projects.

	Receivable	Payable	Transfers in	Transfers out
General	$ 199,478	173,318	36,000	-
Water	95,361	99,510	-	18,000
Sewer	2,515	39,088	-	18,000
Capital Projects	35,655	21,093	-	-
Total	$ 333,009	333,009	36,000	36,000

(2) Detailed Notes on All Funds, Continued

(a) Assets, Continued

(4) Capital Assets

The following is a summary of changes and adjustments in capital assets for the year ended May 31, 2022.

	Balance May 31, 2021	Additions	Disposals/ Reclass- ifications	Balance May 31, 2022
Nondepreciable capital assets- land	$ 107,475	-	-	107,475
Depreciable capital assets:				
Buildings	3,660,432	-	-	3,660,432
Improvements	1,510,942	-	-	1,510,942
Machinery and equipment	4,998,681	224,877	(99,766)	5,123,792
Infrastructure	2,291,081	-	-	2,291,081
Total depreciable capital assets	12,461,136	224,877	(99,766)	12,586,247
Total capital assets	12,568,611	224,877	(99,766)	12,693,722
Less accumulated depreciation:				
Buildings	(3,071,740)	(74,802)	-	(3,146,542)
Improvements	(557,629)	(67,525)	-	(625,154)
Machinery and equipment	(3,659,337)	(168,695)	99,208	(3,728,824)
Infrastructure	(1,397,138)	(94,015)	-	(1,491,153)
Total accumulated depreciation	(8,685,844)	(405,037)	99,208	(8,991,673)
Governmental activities capital assets, net	$ 3,882,767	(180,160)	(558)	3,702,049

Depreciation was charged to governmental activities as follows:

General government support	$ 98,602
Public safety	28,978
Transportation	25,845
Culture and recreation	14,563
Home and community services	237,049
Total depreciation expense	$ 405,037

(2) Detailed Notes on All Funds, Continued

(b) Liabilities

(1) Bond Anticipation Notes

The Village issued a $2,263,050 Bond Anticipation Note (BAN) on May 6, 2021, maturing on May 6, 2022, bearing interest at 0.41% to finance water and sewer improvements. The BAN was replaced at maturity with a new BAN for $2,133,050 with an effective net interest rate of 0.98% and matures on May 5, 2023.

(2) Changes in Long-Term Liabilities

The changes in the Village's long-term liabilities during the year ended May 31, 2022, are summarized as follows:

	Balance May 31, 2021	Increase	Decrease	Balance May 31, 2022	Amounts due within one year
Serial bonds payable	$ 570,000	-	(50,000)	520,000	50,000
Capital leases	731	-	(731)	-	-
Compensated absences, net	50,924	-	(3,562)	47,362	-
Total OPEB liability	3,899,637	-	(648,863)	3,250,774	-
Net pension liability(ies), proportionate shares:					
ERS	1,826	-	(1,826)	-	-
PFRS	66,307	-	(52,975)	13,332	-
Net pension liability - LOSAP	1,517,017	-	(19,570)	1,497,447	-
Total	$ 6,106,442	-	(777,527)	5,328,915	50,000

(3) Long-Term Liabilities

(a) Serial Bonds Payable

Serial bonds may be issued for any object or purpose for which a period of probable usefulness has been established. Serial bonds payable as of May 31, 2022 are as follows:

Purpose	Original issue date	Final maturity date	Original interest rate	Original amount of issue	Amount outstanding at May 31, 2022
Sewer plant	7/28/05	10/1/25	2.059%-3.999%	$ 586,695	135,000
Pump station and relining	6/13/19	2/1/39	1.297%-3.391%	443,520	385,000
Total serial bonds payable					$ 520,000

The Village paid interest on serial bond debt service of $15,331 during the year ended May 31, 2022.

(2) Detailed Notes on All Funds, Continued

(b) Liabilities, Continued

(3) Long-Term Liabilities, Continued

(b) Amortization

The annual requirements to amortize bonded debt as of May 31, 2022 are as follows:

Year ending	Principal	Interest	Total
2023	$ 50,000	13,891	63,891
2024	55,000	12,340	67,340
2025	55,000	10,673	65,673
2026	55,000	8,989	63,989
2027	20,000	7,986	27,986
2028 - 2032	110,000	34,744	144,744
2033 - 2037	125,000	19,933	144,933
2038 - 2039	50,000	2,524	52,524
Totals	$ 520,000	111,080	631,080

In the event of failure to make timely payments when due or other breaches of the agreement the bond holder may exerciser remedies set forth in the agreement including, but not limited to, reduction of interest subsidy credit, denial of disbursement requests, penalty interest charges and interception of state aid.

(4) Pension Plans

(a) Plan Description and Benefits Provided

The Village of Cold Spring participates in the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS), which are collectively referred to as the New York State and Local Retirement System (the System). These are cost sharing multiple employer retirement systems. The Public Employees' Group Life Insurance Plan (GLIP) provides death benefits in the form of life insurance. GLIP amounts are apportioned to and included in ERS and PFRS. The System provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the Systems. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the System and for the custody and control of their funds. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, NY 12244 or on-line at www.osc.state.ny.us.

(2) Detailed Notes on All Funds, Continued

(b) Liabilities, Continued

(4) Pension Plans, Continued

(a) Plan Description and Benefits Provided, Continued

The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976 who contribute 3% of their salary for the first ten years of membership and employees who joined on or after January 1, 2010 and before April 1, 2012 generally contribute 3% of their salary for the entire length of service. Those joining on or after April 1, 2012, are required to contribute between 3% and 6% dependent on their salary throughout active membership. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates used in computing the contributions required to be made by employers to the pension accumulation fund.

The rates for the Systems' fiscal year ending March 31, 2022 were:

	Tier/Plan	Rate
ERS	3 A14	18.0%
	4 A15	18.0
	6 A15	10.5
PFRS	2 375G	19.8
	2 384D	30.4
	6 384D	19.8

The Village's contributions made to the System were equal to 100 percent of the contributions required for each year.

(b) Pension Asset/Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At May 31, 2022, the Village reported the following asset and liability for its proportionate share of the net pension asset and liability for ERS and PFRS, respectively. The net pension asset and liability were measured as of March 31, 2022. The total pension asset and liability used to calculate each net pension asset or liability was determined by an actuarial valuation. The Village's proportion of each net pension asset and liability was based on a projection of the Village's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and PFRS Systems in reports provided to the Village.

	ERS	PFRS
Measurement date	3/31/2022	3/31/2022
Actuarial valuation date	4/1/2021	4/1/2021
Net pension asset (liability)	$ 165,264	(13,332)
Village's proportion of the Plan's net pension asset (liability)	0.0020217%	0.0023470%
Change in proportion since the prior measurement date	0.0001879	(0.0014719)

(2) Detailed Notes on All Funds, Continued

(b) Liabilities, Continued

(4) Pension Plans, Continued

(b) Pension Asset/Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, Continued

For the year ended May 31, 2022, the Village recognized pension expense of $11,121 for ERS and $11,518 for PFRS in the statement of activities.

At May 31, 2022 the Village 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	
	ERS	PFRS	ERS	PFRS
Differences between expected and actual experience	$ 12,516	7,187	16,234	-
Changes of assumptions	275,807	79,795	4,654	-
Net difference between projected and actual earnings on pension plan investments	-	-	541,170	112,023
Changes in proportion and differences between the Village's contributions and proportionate share of contributions	19,168	14,989	12,572	34,205
Village's contributions subsequent to the measurement date	11,059	3,162	-	-
Total	$ 318,550	105,133	574,630	146,228

Village contributions subsequent to the measurement date will be recognized as a addition (reduction) of the net pension asset (liability) in the year ending May 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as follows:

Year ending	ERS	PFRS
2023	$ (40,075)	(6,667)
2024	(61,043)	(12,244)
2025	(139,514)	(31,176)
2026	(26,507)	10,452
2027	-	(4,622)
	$(267,139)	(44,257)

(2) Detailed Notes on All Funds, Continued

(b) Liabilities, Continued

(4) Pension Plans, Continued

(c) Actuarial Assumptions

The total pension asset (liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension asset (liability) to the measurement date. The actuarial valuations used the following actuarial assumptions:

Measurement date	March 31, 2022	
Actuarial valuation date	April 1, 2021	
	ERS	PFRS
Inflation rate	2.7%	2.7%
Salary increases	4.4	6.2
Investment rate of return (net of investment expense, including inflation)	5.9	5.9
Cost-of-living adjustments	1.4	1.4

Annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2020. The previous actuarial valuation as of April 1, 2020 used the same assumptions to measure the total pension liability.

The actuarial assumptions used in the April 1, 2021 valuation are based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020.

The long-term rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table.

(2) Detailed Notes on All Funds, Continued

(b) Liabilities, Continued

(4) Pension Plans, Continued

(c) Actuarial Assumptions, Continued

	Target Allocation	Long-term Expected Rate of Return*
Asset Class:		
Domestic equity	32.00%	3.30%
International equity	15.00%	5.85%
Private equity	10.00%	6.50%
Real estate	9.00%	5.00%
Opportunistic/ARS portfolio	3.00%	4.10%
Credit	4.00%	3.78%
Real assets	3.00%	5.80%
Fixed income	23.00%	0.00%
Cash	1.00%	(1.00%)
	100.00%	

* The real rate of return is net of the long-term inflation assumption of 2.5%.

(d) Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset (liability).

(2) Detailed Notes on All Funds, Continued

(b) Liabilities, Continued

(4) Pension Plans, Continued

(e) Sensitivity of the Proportionate Share of the Net Pension Asset/Liability to the Discount Rate Assumption

The following presents the Village's proportionate share of each net pension asset (liability) calculated using the discount rate of 5.9%, as well as what the Village's proportionate share of each net pension asset (liability) would be if it were calculated using a discount rate that is 1% lower (4.9%) or 1% higher (6.9%) than the current rate:

Employer's proportionate share of the net pension asset (liability)	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
ERS	$ (425,387)	165,264	659,315
PFRS	$ (148,298)	(13,332)	98,384

(f) Pension Plan Fiduciary Net Position

The components of the current-year net pension asset (liability) of participating employers as March 31, 2021, were as follows:

	(Dollars in Millions) ERS	PFRS
Employers' total pension liability	$ (223,875)	(42,237)
Plan fiduciary net position	232,049	41,669
Employers' net pension asset (liability)	$ 8,174	(568)
Ratio of plan fiduciary net position to the employers' total pension asset (liability)	103.7%	98.7%

(g) Payables to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of May 31, 2022 represent the projected employer contribution for the period of April 1, 2022 through May 31, 2023 based on paid wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of May 31, 2022 amounted to $11,059 for ERS and $3,162 for PFRS. Those amounts have been recorded as expenditures in the governmental fund statements and as deferred outflows of resources in the statement of net position.

(2) Detailed Notes on All Funds, Continued

(b) Liabilities, Continued

(5) Volunteer Firefighter Length of Service Award Program

Plan Description

The Village contributes to the Village of Cold Spring Volunteer Firefighter Length of Service Award Program (the Program), a plan of deferred compensation (i.e. a non-qualified plan under the Internal Revenue Code). The Village Board of Trustees of the Village of Cold Spring is the Trustee and Plan Administrator for the Service Award Program. The Village Board of Trustees retains an independent third party pension plan administration firm to assist them in administering the Service Award Program. In addition, plan investments are made through an independent broker who advises the Village Board of Trustees with regard to the investment of the Program assets.

All persons who are active volunteer firefighters of the Village in accordance with the by-laws of the Cold Spring Fire Company No. 1 (the Fire Company) are eligible to become participants in the Program. An individual firefighter's earned Service Award equals $20 per month for each year of service credit earned with lifetime monthly Service Award payments commencing upon attainment of age 62.

A firefighter earns a year of service credit for a calendar year if he or she earns a minimum number of points for participation in volunteer firefighter activities under a point system and meet any other active volunteer firefighter requirements imposed by the Village or Fire Company. A volunteer firefighter's earned Service Award vests after the firefighter earns five years of Service Award Program service credit. Death and disability benefits are also provided to volunteer firefighters under the Program. The Program was established in accordance with Article 11-A of the New York State General Municipal Law.

Participants Covered by the Benefit Terms

At the December 31, 2021 measurement date, the following participants were covered by the benefit terms:

Inactive participants currently receiving benefit payments	15
Inactive participants entitled to but not yet receiving benefit payments	11
Active participants	28
Total	54

Contributions

New York State General Municipal Law §219-o(1) requires the Village to contribute an actuarially determined contribution on an annual basis. The actuarially determined contribution shall be appropriated annually by the Village.

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 Village. As such, the trust assets do not meet the criteria in paragraph 4 of GASB Statement No. 73.

(2) Detailed Notes on All Funds, Continued

(b) Liabilities, Continued

(5) Volunteer Firefighter Length of Service Award Program, Continued

Plan Investments

The Program assets are invested through the broker in money market funds, mutual funds, U.S. government securities, and certificates of deposit and are recorded at fair market value and are level 1 valuations. They are not subject to the collateral requirements described in note 2(a)(1).

Measurement of Total Pension Liability

The total pension liability for the December 31, 2021 measurement date was determined using an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the December 31, 2021 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 2.24%. The previous actuarial valuation as of December 31, 2021 used a discount rate of 1.93%. This was the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2021. 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.

Changes in the Total Pension Liability

Balance as of December 31, 2020 measurement date	$ 1,517,017
Service cost	46,917
Interest on total pension liability	29,781
Changes of assumptions or other inputs	(76,500)
Differences between expected and actual experience	21,982
Benefit payments	(41,750)
Net change	(19,570)
Balance as of December 31, 2021 measurement date	$ 1,497,447

(2) Detailed Notes on All Funds, Continued

(b) Liabilities, Continued

(5) Volunteer Firefighter Length of Service Award Program, Continued

Sensitivity of the Total Pension Liability to Changes in the Discount Rate

The following presents the total pension liability of the Village as of the December 31, 2021 measurement date, calculated using the discount rate of 2.24%, as well as what the Village's total pension liability would be if it were calculated using a discount rate that is 1% lower (1.24%) or 1% higher (3.24%) than the current rate:

	1% Decrease (1.24%)	Current Discount Rate (2.24%)	1% Increase (3.24%)
Total pension liability	$ 1,765,131	1,497,447	1,283,513

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

For the year ended May 31, 2022, the Village recognized pension expense of $130,335.

Components of Pension Expense	
Service cost	$ 46,917
Interest on total pension liability	29,781
Changes of assumptions or other inputs	42,418
Differences between expected and actual experience	4,686
Pension plan administrative expenses	6,533
Total pension expense	$ 130,335

At May 31, 2022, the Village 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	$ 39,790	14,649
Changes of assumptions or other inputs	285,676	110,196
Benefit payments and administrative expenses subsequent to the measurement date	18,422	-
Total	$ 343,888	124,845

Deferred outflows of resources related to pensions resulting from Village transactions subsequent to the measurement date will be recognized as a reduction of the total pension liability in the year ending May 31, 2023.

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

(2) Detailed Notes on All Funds, Continued

(b) Liabilities, Continued

(5) Volunteer Firefighter Length of Service Award Program, Continued

Components of Pension Expense, Continued

Year ending December 31	
2023	$ 47,107
2024	47,107
2025	47,107
2026	47,107
2027	15,614
Thereafter	(3,421)
	$ 200,621

(6) Other Postemployment Benefits

The cost of postemployment healthcare benefits, like the cost of pension benefits, generally should be associated with the period in which the cost occurs, rather than in the future year when it will be paid, which is the accrual accounting perspective. As per the requirements of GASB Statement No. 75 - "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," the Village recognizes the cost of postemployment healthcare in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands in the Village's future cash flows.

Plan Description

The Village provides optional medical insurance coverage to eligible retirees. This plan is a single employer plan, established by authority of the Village Board and administered by the Village. A copy of the report on these benefits can be requested from Village Hall. A summary of benefits is as follows:

- Benefits continue for the life of the participant. If the spouse survives the participant, the spouse can continue with the plan through the Village.
- Covered retirees and spouses must apply for and initiate Medicare coverage to supplement coverage provided by the Village.
- Retired participants are responsible for contributing 14% of the total cost for their health insurance coverage, regardless of the plan selected or number of dependents, if any. Effective January 1, 2020, the required contribution became 15%. The contribution amount is subject to change in the future.
- The Village will continue to provide medical benefits for surviving spouses for three months, at which point the surviving spouse will be responsible for 50% of the total cost of the health insurance.

At May 31, 2022, the following employees were covered by the benefit terms:

Active	7
Retired	9
	16

(2) Detailed Notes on All Funds, Continued

(b) Liabilities, Continued

(6) Other Postemployment Benefits, Continued

Funding Policy

The Village provides for funding on the pay-as-you-go method by payment of current insurance premiums. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Total OPEB Liability

The Village's total OPEB liability of $3,250,774 was measured as of May 31, 2022, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the May 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Key assumptions and methods used in the valuation:

Employer Future Premium Contribution	Increase by 1% every future year
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Discount Rate	3.00%
Measurement Date	May 31, 2022
Prior Measurement Date	May 31, 2021
Prior Year Discount Rate	1.59%
Projected Salary Increases	2.00%
Healthcare Cost Trend Rates	
NOL and ADC	Calculated using the Alternative Measurement Method in accordance with GASB methodology.
Mortality Table	Pub-2010 Public Plans Mortality Tables, with mortality improvement projected for 10 years.

Healthcare Cost Trend Rates:

	Initial	Ultimate
Medical	4.7%	4.2%
Pharmacy	5.2%	4.2%
Dental	3.5%	3.0%
Vision	3.0%	3.0%

(2) Detailed Notes on All Funds, Continued

(b) Liabilities, Continued

(6) Other Postemployment Benefits, Continued

Changes in the Total OPEB Liability

Balance at May 31, 2021	$ 3,899,637
Service cost	72,469
Interest on total OPEB liability	74,324
Economic/demographic gains or losses	(280,321)
Changes of assumptions or other inputs	(394,081)
Benefit payments	(121,254)
Net change	(648,863)
Balance at May 31, 2022	$ 3,250,774

Sensitivity of the Total Pension Liability to Changes in the Discount Rate

The following presents the total pension liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.00) or 1% higher (4.00%) than the current rate:

	1% Decrease (2.00%)	Current Discount Rate (3.00%)	1% Increase (4.00%)
Total OPEB liability	$ 3,600,436	3,250,774	2,949,636

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Village, as well as what the Village total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB liability	$ 3,095,369	3,250,774	3,433,776

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended May 31, 2022, the Village recognized a negative OPEB expense of $527,610. At May 31, 2022, the Village did not report deferred outflows of resources or deferred inflows of resources related to OPEB due to the alternative method. Additionally, since the measurement date was the same as the Village's fiscal year, there are no contributions subsequent to the measurement date to report.

(3) Commitments and Contingencies

(a) Litigation

The Village is a defendant in various lawsuits, the outcome of which are not determinable at this time. Legal counsel has advised that these claims should be covered by the insurance in force less standard deductibles, unless punitive damages result. No current estimates are available for any such potential punitive damages.

(b) Grants

The Village has received various grants in prior years. Should any grantor agencies conduct audits, any potentially disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be potentially disallowed by the grantor agencies cannot be determined at this time.

(c) Risk Management

The Village carries commercial insurance to indemnify itself from the risk of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage for any of the past three fiscal years.

(4) Risks and Uncertainties

The United States is presently in the midst of a national health emergency related to the COVID-19 virus. The overall consequences on a national, regional and local level are unknown, but have the potential to result in a significant economic impact. The impact of this situation on the Village and its future results and financial position is not presently determinable.

(5) Fund Deficit

The Capital Projects Fund has a fund deficit of $1,259,355 primarily as a result of the bond anticipation note payable of $2,133,050 as of May 31, 2022. The Village plans to address this deficit by issuing long-term debt.

(6) Accounting Standards Issued But Not Yet Implemented

GASB has issued the following pronouncements which will be implemented in the years required. The effects of the implementation of these pronouncements are not known at this time.

Statement No. 91 - Conduit Debt Obligations. Effective for fiscal years beginning after December 15, 2021.

Statement No. 92 - Omnibus 2020. Effective for fiscal years beginning after June 15, 2021.

Statement No. 93 - Replacement of Interbank Offered Rates. Effective for fiscal years beginning after June 15, 2021.

Statement No. 94 - Public-Private and Public-Public Partnerships and Availability Payment Arrangements. Effective for fiscal years beginning after June 15, 2022.

Statement No. 96 - Subscription-Based Information Technology Arrangements. Effective for fiscal years beginning after June 15, 2022.

Statement No. 97 - Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. Effective for fiscal years beginning after June 15, 2021.

Statement No. 99 - Omnibus 2022. Effective for various years beginning after June 30, 2023.

(7) Subsequent Events

The Village has evaluated subsequent events through the date of this report, which is the date the financial statements were available for issuance.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF COLD SPRING, NEW YORK
Required Supplementary Information
Schedule of Revenue, Expenditures and Changes in Fund Balance -
Budget to Actual - General Fund
Year ended May 31, 2022

	Budget			Variance
	Original	Final	Actual	Favorable (Unfavorable)
Revenue:				
Real property taxes	$ 1,763,500	1,763,500	1,763,500	-
Real property tax items	8,500	8,500	10,954	2,454
Non property tax items	42,000	42,000	45,955	3,955
Departmental income	74,291	74,291	80,638	6,347
Intergovernmental charges	95,562	95,562	97,220	1,658
Use of money and property	780	780	7,470	6,690
Licenses and permits	6,225	6,225	42,599	36,374
Fines and forfeitures	75,000	75,000	58,072	(16,928)
Sale of property and compensation for loss	-	-	49,679	49,679
Miscellaneous	-	-	24,255	24,255
State aid	245,291	245,291	81,381	(163,910)
Federal aid	-	-	101,393	101,393
Total revenue	2,311,149	2,311,149	2,363,116	51,967
Expenditures:				
General government support	724,306	726,386	575,828	150,558
Public safety	669,697	669,697	673,805	(4,108)
Health	1,600	1,600	1,627	(27)
Transportation	558,629	561,629	278,964	282,665
Culture and recreation	35,407	35,407	22,420	12,987
Home and community services	224,206	222,693	249,857	(27,164)
Employee benefits	471,304	467,737	396,128	71,609
Total expenditures	2,685,149	2,685,149	2,198,629	486,520
Excess (deficiency) of revenue over expenditures	(374,000)	(374,000)	164,487	538,487
Other financing sources - interfund transfers in	36,000	36,000	36,000	-
Change in fund balance	$ (338,000)	(338,000)	200,487	538,487
Fund balance at beginning of year			1,606,237	
Fund balance at end of year			$ 1,806,724	

VILLAGE OF COLD SPRING, NEW YORK
Required Supplementary Information
Schedule of Revenue, Expenditures and Changes in Fund Balance -
Budget to Actual - Water Fund
Year ended May 31, 2022

	Budget			Variance
	Original	Final	Actual	Favorable (Unfavorable)
Revenue:				
Departmental income	$ 588,374	588,374	599,178	10,804
Use of money and property	500	500	413	(87)
Miscellaneous	500	500	7,558	7,058
Total revenue	589,374	589,374	607,149	17,775
Expenditures:				
General government support	52,472	52,472	45,873	6,599
Home and community services	549,026	549,026	287,215	261,811
Employee benefits	78,148	78,148	80,188	(2,040)
Debt service:				
Principal	78,000	78,000	78,000	-
Interest	18,728	18,728	18,997	(269)
Total expenditures	776,374	776,374	510,273	266,101
Excess (deficiency) of revenue over expenditures	(187,000)	(187,000)	96,876	283,876
Other financing uses - interfund transfers out	(18,000)	(18,000)	(18,000)	-
Change in fund balance	$ (205,000)	(205,000)	78,876	283,876
Fund balance at beginning of year			883,209	
Fund balance at end of year			$ 962,085	

VILLAGE OF COLD SPRING, NEW YORK
Required Supplementary Information
Schedule of Revenue, Expenditures and Changes in Fund Balance -
Budget to Actual - Sewer Fund
Year ended May 31, 2022

	Budget			Variance
	Original	Final	Actual	Favorable (Unfavorable)
Revenue:				
Departmental income	$ 547,780	547,780	555,584	7,804
Use of money and property	8,321	8,321	8,207	(114)
Total revenue	556,101	556,101	563,791	7,690
Expenditures:				
General government support	33,976	33,976	29,143	4,833
Home and community services	277,460	277,460	256,191	21,269
Employee benefits	94,385	94,385	92,915	1,470
Debt service:				
Principal	102,000	102,000	102,000	-
Interest	30,280	30,280	30,279	1
Total expenditures	538,101	538,101	510,528	27,573
Excess of revenue over expenditures	18,000	18,000	53,263	35,263
Other financing uses - interfund transfers out	(18,000)	(18,000)	(18,000)	-
Change in fund balance	$ -	-	35,263	35,263
Fund balance at beginning of year			222,132	
Fund balance at end of year			$ 257,395	

VILLAGE OF COLD SPRING, NEW YORK
Required Supplementary Information
Schedule of Village's Proportionate Share of Net Pension Asset/Liability
Year ended May 31, 2022

PFRS System		2022	2021	2020	2019	2018	2017	2016
Village's proportion of the net pension liability		0.0023470%	0.0038189%	0.0038576%	0.0049612%	0.0037499%	0.0034371%	0.0043823%
Village's proportionate share of the net pension liability	$	(13,332)	(66,307)	(206,186)	(83,203)	(37,903)	(71,238)	(129,752)
Village's covered payroll	$	112,928	179,092	200,249	188,558	177,238	155,099	174,180
Village's proportionate share of the net pension liability as a percentage of covered payroll		11.81%	37.02%	102.96%	44.13%	21.39%	45.93%	74.49%
Plan fiduciary net position as a percentage of the total pension liability		98.7%	95.8%	84.9%	95.1%	96.9%	93.5%	90.2%

ERS System								
Village's proportion of the net pension		0.0020217%	0.0018338%	0.0019418%	0.0020486%	0.0019800%	0.0020731%	0.0021378%
Village's proportionate share of the net pension asset (liability)	$	165,264	(1,826)	(514,210)	(145,149)	(63,903)	(194,794)	(343,119)
Village's covered payroll	$	665,091	653,135	600,748	625,349	646,269	625,758	594,111
Village's proportionate share of the net pension asset (liability) as a percentage of covered payroll		24.85%	0.28%	85.59%	23.21%	9.89%	31.13%	57.75%
Plan fiduciary net position as a percentage of the total pension asset (liability)		98.7%	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%

* The amounts presented for each fiscal year were determined as of each System's measurement date.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the Village is presenting information for those years for which information is available.

VILLAGE OF COLD SPRING, NEW YORK
Required Supplementary Information
Schedule of Village's Pension Contributions
Year ended May 31, 2022

PFRS System	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	$ 28,285	39,736	43,917	41,536	42,322	33,164	23,269	41,386	51,771	55,850
Contribution in relation to the contractually required contribution	28,285	39,736	43,917	41,536	42,322	33,164	23,269	41,386	51,771	55,850
Contribution deficiency (excess)	$ -	-	-	-	-	-	-	-	-	-
Covered payroll	$ 112,928	179,092	200,249	188,558	177,238	155,099	174,180	236,087	318,591	211,713
Contribution as a percentage of covered payroll	25.05%	22.19%	21.93%	22.03%	23.88%	21.38%	13.26%	17.53%	16.25%	26.38%

ERS System	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	$ 88,315	79,642	76,012	84,805	91,790	92,312	103,730	108,451	122,641	115,706
Contribution in relation to the contractually required contribution	88,315	79,642	76,012	84,805	91,790	92,312	103,730	108,451	122,641	115,706
Contribution deficiency (excess)	$ -	-	-	-	-	-	-	-	-	-
Covered payroll	$ 665,081	653,135	600,748	625,349	646,269	625,758	594,111	607,228	641,093	601,070
Contribution as a percentage of covered payroll	13.28%	12.19%	12.65%	13.56%	14.203%	14.75%	17.46%	17.86%	19.13%	19.25%

VILLAGE OF COLD SPRING, NEW YORK
Required Supplementary Information
Schedule of Changes in Village's LOSAP Liability
Year ended May 31, 2022

Measurement date as of December 31,	2021	2020	2019	2018	2017
Total Pension Liability					
Service cost	$ 46,917	31,823	29,249	33,421	27,417
Interest on total pension liability	29,781	39,796	39,666	36,718	38,799
Changes of assumptions or other inputs	(76,500)	286,870	68,682	(84,498)	98,230
Differences between expected and actual experience	21,982	(10,248)	34,802	(4,419)	(11,012)
Benefit payments	(41,750)	(40,260)	(47,676)	(50,884)	(35,640)
Net change	(19,570)	307,981	124,723	(69,662)	117,794
Total pension liability - beginning	1,517,017	1,209,036	1,084,313	1,153,975	1,036,181
Total pension liability - ending	$1,497,447	1,517,017	1,209,036	1,084,313	1,153,975
Covered payroll	N/A	N/A	N/A	N/A	N/A
Total pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the Village is presenting information for those years for which information is available.

Notes to Required Supplementary Information

Changes of assumptions and other inputs - The discount rate used to measure the total pension liability was based on the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index and was as follows:

2021	2020	2019	2018	2017
2.24%	1.93%	3.26%	3.64%	3.16%

There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 73, paragraph 4.

VILLAGE OF COLD SPRING, NEW YORK
Required Supplementary Information
Schedule of Changes in Village's
Total OPEB Liability and Related Ratios
Year ended May 31, 2022

Total OPEB liability	2022	2021	2020	2019	2018
Service cost	$ 72,469	93,923	54,144	39,731	43,712
Interest on total OPEB liability	74,324	92,901	114,126	118,133	77,579
Economic/demographic gains or losses	(280,321)	(681,918)	117,923	326,702	-
Changes of assumptions or other inputs	(394,081)	231,135	376,899	284,414	(134,567)
Benefit payments	(121,254)	(126,235)	(121,013)	(67,410)	(117,500)
Net change in total OPEB liability	(648,863)	(390,194)	542,079	701,570	(130,776)
Total OPEB liability - beginning	3,899,637	4,289,831	3,747,752	3,046,182	3,176,958
Total OPEB liability - ending	$ 3,250,774	3,899,637	4,289,831	3,747,752	3,046,182
Covered payroll	$ 404,815	389,533	405,016	446,145	425,007
Total OPEB liability as a percentage of covered payroll	803.0%	1001.1%	1059.2%	840.0%	716.7%

Notes to schedule:

Changes of assumptions - Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2022	2021	2020	2019	2018
3.00%	1.59%	2.15%	3.05%	3.87%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the Village is presenting information for those years for which information is available.

There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

EFPR GROUP, CPAs PLLC

6390 Main Street, Suite 200
Williamsville, NY 14221

P 716.634.0700
TF 800.546.7556
F 716.634.0764
W EFPRgroup.com

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Mayor and Members of the
Village Board of Trustees
Village of Cold Spring, 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, each major fund, and the propriety fund of the Village of Cold Spring, New York (the Village), as of and for the year ended May 31, 2022 and the related notes to financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated January 4, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing 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 Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from 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 financial statements. 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 Village'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 Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York
January 4, 2023

APPENDIX C

FORM OF BOND COUNSEL OPINION

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

, 2023

The Board of Trustees of the
Village of Cold Spring,
in the County of Putnam, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Village of Cold Spring (the "Village"), in the County of Putnam, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the $2,197,050 Bond Anticipation Notes-2023 (the "Note"), 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 upon and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Note is a valid and legally binding general obligation of the Village for which the Village has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the Village is subject to the levy of ad valorem real estate taxes to pay the Note 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 Note 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 Note 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 Note is not treated as a preference item in calculating the alternative minimum tax under the Code, however, for tax years beginning after December 31, 2022, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

The Code establishes certain requirements that must be met subsequent to the issuance of the Note in order that the interest on the Note be and remain excludable from gross income 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 Note, restrictions on the investment of proceeds of the Note 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 Note 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 Note, the Village will execute a Tax Certificate relating to the Note containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the Village represents that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that the interest on the Note will, for federal income tax purposes, be excluded from gross income.

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

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

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

Very truly yours,

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

UNDERTAKING TO PROVIDE NOTICES OF EVENTS

Section 1. Definitions

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

"Financial Obligation" shall mean "financial obligation" as such term is 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 Village of Cold Spring, in the County of Putnam, a municipal corporation of the State of New York.

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

"Purchaser" shall mean the financial institution referred to in the Certificate of Determination, executed by the Village Treasurer as of May 4, 2023.

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

"Securities" shall mean the Issuer's $2,197,050 Bond Anticipation Notes – 2023, dated May 4, 2023, maturing on May 3, 2024, and delivered on the date hereof.

Section 2. Obligation to Provide Notices of Events. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided either directly or through Munistat Services, Inc., 12 Roosevelt Avenue, Monroe Station, New York 11776 to the Electronic Municipal Market Access ("EMMA") System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of such Board contemplated by the Undertaking, in a timely manner, not in excess of ten (10) business days after the occurrence of any such event, notice of any of the following events with respect to the Securities:

(1) principal and interest payment delinquencies;

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

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

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

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

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

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

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

(9) defeasances;

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

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Issuer;

Note to clause (12): For the purposes of the event identified in clause (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;

(13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(14) appointment of a successor or additional trustee or the change of name of a trustee, if material.

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

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

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

(c) Nothing herein shall be deemed to prevent the Issuer from providing notice of the occurrence of certain other events, in addition to those listed above, if the Issuer determines that any such other event is material with respect to the Securities; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

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

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

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

(a) to comply with or conform to any changes in Rule 15c2-12 (whether required or optional);

(b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;

(c) to evidence the succession of another person to the Issuer and the assumption of any such successor of the duties of the Issuer hereunder;

(d) to add to the duties of the Issuer for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuer;

(e) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change;

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

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

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

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

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of May 4, 2023.

VILLAGE OF COLD SPRING, NEW YORK

By______________________________

Village Treasurer