

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 15, 2024

NEW ISSUE/RENEWALS – BOND ANTICIPATION NOTES

MOODY'S INVESTOR SERVICE: "MIG-1"
See "Rating", herein

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal alternative minimum tax on individuals. Interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes. See "Tax Matters" herein.

The Village will NOT designate the Notes as "qualified tax-exempt obligations" pursuant to the provisions of Section 265(b)(3) of the Code.

VILLAGE OF OSSINING WESTCHESTER COUNTY, NEW YORK (the "Village")

\$49,532,915

BOND ANTICIPATION NOTES, 2024

Dated Date: September 18, 2024

Maturity Date: September 18, 2025

Security and Sources of Payment: The Notes will constitute general obligations of the Village and will contain a pledge of its faith and credit for the punctual payment of the principal of and interest on the Notes, and all the taxable real property within the Village will be subject to the levy of ad valorem taxes, for such purpose, subject to applicable statutory limitations. See "Tax Levy Limitation Law" herein.

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

At the option of the purchaser(s), the Notes may either be registered to the purchaser(s) or registered in the name of Cede & Co., as nominee for the Depository Trust Company, New York, New York ("DTC") as book-entry notes. Note certificates shall bear a single rate of interest and shall be in a denomination equal to the aggregate principal amount awarded to such purchaser at such interest rate.

Form and Denomination: The Notes to be issued in book-entry form will be issued as registered notes, and, when issued, will be registered in the name of Cede & Co. as nominee, which will act as the securities depository for the Notes. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Individual purchases of the Notes to be 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, which is or includes \$7,915. Noteholders will not receive certificates representing their ownership interest in the Notes to be issued in book-entry form purchased. See "Book-Entry System" herein.

Payment: Payment of the principal of and interest on the Notes to be issued in book-entry form will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers registered in "street name." Payment will be the responsibility of the DTC Participant or Indirect Participant and not of DTC or the Village, subject to any statutory and regulatory requirements as may be in effect from time to time. See "Book-Entry System" herein. Payment of the principal of and interest on the Notes issued in the form registered to the purchaser(s) will be payable at such bank of trust company located and authorized to do business in the State of New York as may be selected by the successful bidder, at such bidder's expense.

Proposals for the Notes will be received at 11:00 A.M. (Prevailing Time) on August 29, 2024 at the office of Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776.

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of an approving legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, of New York, New York. It is anticipated that the Notes will be available for delivery at the location of DTC in Jersey City, New Jersey or such other place as may be agreed upon with the purchaser(s) on or about September 18, 2024.

THE VILLAGE DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER(S) AS MORE FULLY DESCRIBED IN THE NOTICE OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. IN ADDITION, THE VILLAGE WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS AS DEFINED IN THE RULE. (SEE "DISCLOSURE UNDERTAKING," HEREIN).



**VILLAGE OF OSSINING
WESTCHESTER COUNTY, NEW YORK**

16 Croton Avenue
Ossining, New York 10562
Telephone: (914) 762-6001
Fax: (914) 762-0833

Rika Levin, Mayor

VILLAGE BOARD

Manual R. Quezada
Omar Lopez

Robert M. Fritsche
Dana White

Karen D'Attore, Village Manager
Dale Brennan, Village Treasurer
Susanne Donnelly, Village Clerk
Stuart E. Kahan, Corporation Counsel

* * *

BOND COUNSEL



Orrick, Herrington & Sutcliffe LLP
New York, New York

* * *

MUNICIPAL ADVISOR



Municipal Finance Advisory Service

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

E-mail: info@munistat.com
Website: <https://www.munistat.com>

No person has been authorized by the Village of Ossining to give any information or to make any representations not contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, any of the Notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates 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 of Ossining since the date hereof.

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OFFICIAL STATEMENT

Relating to

VILLAGE OF OSSINING WESTCHESTER COUNTY, NEW YORK

\$49,532,915

BOND ANTICIPATION NOTES, 2024

This Official Statement, including the cover page and appendices thereto, has been prepared by the Village of Ossining, Westchester County, New York (the "Village") and presents certain information relating to the Village's \$49,532,915 Bond Anticipation Notes, 2024 (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 and all references to the Notes and the proceedings of the Village relating thereto are qualified in their entirety by reference to the definitive form of the Notes and such proceedings.

THE NOTES

Description of the Notes

The Notes will be dated September 18, 2024 and will mature, without right of redemption prior to maturity, on September 18, 2025, with interest payable at maturity.

At the option of the purchaser(s), the Notes may be either registered to the purchaser(s) or registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC") as book-entry notes.

For those Notes registered to the purchaser(s), 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. Principal of and interest on such Notes will be payable in lawful money of the United States of America (Federal Funds) at the office of the Village Clerk in Ossining, New York.

For those Notes issued as book-entry notes registered to Cede & Co., DTC will act as securities depository for the Notes and owners will not receive certificates representing their respective interests in the Notes. Individual purchases of such registered Notes may be made in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination, which is or includes \$7,915. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the Village to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. See "Book-Entry System" herein.

The Village will act as Paying Agent for the Notes. The Village's contact information is as follows: Dale Brennan, Village Treasurer, 16 Croton Ave., Ossining, New York 10562, (914) 941-2581, email: DBrennan@villageofossining.org

Optional Redemption

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

Book-Entry System

In the event that the Notes are issued in registered book-entry form, DTC will act as securities depository for the Notes and the Notes will be issued as fully-registered Notes registered in the name of Cede & Co., (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for each note bearing the same rate of interest and CUSIP number and will be deposited with DTC.

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

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

To facilitate subsequent transfers, all 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 effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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

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

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

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

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

Source: The Depository Trust Company

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 "Material Event Notices Certificate" (the "Undertaking"). Said Undertaking will constitute a written agreement or contract of the Village for the benefit of holders of and owners of beneficial interests in the Notes, to provide, or cause to be provided, to the Electronic Municipal Market Access ("EMMA") System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto, timely notice not in excess of ten (10) business days after the occurrence of any of the following events with respect to the Notes:

(i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes; (vii) modifications to rights of Noteholders, if material; (viii) Note calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Notes, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the Village; note to clause (xii): For the purposes of the event identified in clause (xii) 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 Village 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 Village, 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 Village; (xiii) the consummation of a merger, consolidation, or acquisition involving the Village or the sale of all or substantially all of the assets of the Village, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material; (xv) incurrence of a financial obligation (as defined in the Rule) of the Village, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a "financial obligation" of the Village, any of which affect noteholders, if material; and (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Village, any of which reflect financial difficulties.

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

With respect to event (iv) the Village does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes.

With respect to event (xii) 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 Village 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 Village, 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 Village.

With respect to events (xv) and (xvi), the term “financial obligation” means a (i) debt obligation (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

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

The Village's Undertaking shall remain in full force and effect until such time as the principal of, redemption premiums, if any, and interest on the Notes shall have been paid in full. The sole and exclusive remedy for breach or default under the Undertaking is an action to compel specific performance of the undertakings of the Village, and no person or entity, including a holder of the Notes, shall be entitled to recover monetary damages thereunder under any circumstances. Any failure by the Village to comply with the Undertaking will not constitute a default with respect to the Notes.

The Village reserves the right to amend or modify the Undertaking under certain circumstances set forth therein; provided that, any such amendment or modification will be done in a manner consistent with Rule 15c2-12 as then in effect.

Authorization and Purpose

The Notes are being issued pursuant to the Constitution and statutes of the Village Law, including among others, the Local Finance Law and various bond resolutions adopted by the Board of Trustees. The projects that will be financed by such amount are as follows:

Date of Authorization	Purpose	Amount Outstanding	Amount to be Paid	Additional Amount to be Issued	Total Amount to be Issued
02/06/2019	Heavy Equipment	\$ 476,668	\$ 47,684		\$ 428,984
02/06/2019	Garbage Truck	66,000	6,000		60,000
02/06/2019	HVAC Upgrades	150,000	25,000		125,000
02/06/2019	Fire Apparatus	595,000	35,000		560,000
02/05/2020	DPW Bucket Truck	485,814	40,853		444,961
04/15/2020	Water Storage Tank Mixing Equipment	970,300	65,000		905,300
03/03/2021	Fire Apparatus	664,218	36,905		627,313
03/03/2021	Streets & Sidewalks	303,334	23,333		280,001
03/03/2021	Sidewalk Improvements	160,000	20,000		140,000
01/20/2021	McCarthy Drive Water Main Replacement	485,838	31,250		454,588
01/20/2021	Snowden/Westerly RR Bridge Water Main Replacement	630,000	68,055		561,945
03/02/2022	2022 Sanitation Vehicles	569,333	40,667		528,666
05/04/2022	2022 Street Paving and Sidewalks	793,333	56,667		736,666
06/15/2022	2022 Sidewalk Improvements - Spring Street	180,000	20,000		160,000
05/04/2022	2022 Water Meters and Installation	902,500	61,555		840,945
01/04/2023	2023 Street Paving and Sidewalks	350,000	23,333		326,667
01/04/2023	2023 Parking Lot Paving	70,000	7,000		63,000
01/04/2023	2023 Heavy Equipment	530,000	110,454		419,546
04/04/2023	2023 Route 9 Road Diet	985,000	65,667		919,333
01/04/2023	2023 Sanitation Trucks	0	0	700,000	700,000
01/17/2024	2024 Street Paving and Sidewalks	0	0	350,000	350,000
01/17/2024	2024 Fire Department Portable Radios	0	0	350,000	350,000
01/17/2024	2024 Police Department Radio Infrastructure	0	0	750,000	750,000
01/17/2024	2024 Police Department Records Management Software	0	0	500,000	500,000
01/17/2024	2024 DPW Dump Truck	0	0	300,000	300,000
09/14/2021	2024 Water Treatment Plant Construction Phase 1	0	0	38,000,000	38,000,000
	Totals:	<u>\$9,367,338</u>	<u>\$784,423</u>	<u>\$40,950,000</u>	<u>\$49,532,915</u>

Nature of Obligation

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

Holders of any series of notes or bonds of the Village may bring an action or commence a proceeding in accordance with the civil practice law and rules to enforce the rights of the holders of such series of notes or bonds.

The 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 as required by the Constitution and laws of the State. For the payment of such principal and interest, the Village has power and statutory authorization to levy ad valorem taxes on all real property within the Village subject to such taxation by the Village, subject to applicable statutory limitations. See "Tax Levy Limitation Law, herein.

Although the State Legislature is restricted by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay "interest on or principal of indebtedness theretofore contracted" prior to the effective date of any such legislation, the New York State Legislature may from time to time impose additional limitations or requirements on the ability to increase a real property tax levy or on the methodology, exclusions or other restrictions of various aspects of real property taxation (as well as on the ability to issue new indebtedness). On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities and school districts to levy certain year-to-year increases in real property taxes.

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 is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the Village's power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See "Tax Levy Limitation Law," herein.

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

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

In addition, the Court of Appeals in the Flushing National Bank (1976) case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of political subdivisions in New York State.

The pledge has generally been understood as a promise to levy property taxes without limitation as to rate or amount to the extent necessary to cover debt service due to language in Article VIII Section 10 of the Constitution which provides an exclusion for debt service from Constitutional limitations on the amount of a real property tax levy, insuring the availability of the levy of property tax revenues to pay debt service. As the Flushing National Bank (1976) Court noted, the term "faith and credit" in its context is "not qualified in any way". Indeed, in Flushing National Bank v. Municipal Assistance Corp., 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, "with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the Village of those revenues to meet its obligations." According to the Court in Quirk, the State Constitution "requires the Village to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness."

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

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

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

Tax Levy Limitation Law

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo). It also applies to independent special districts and to improvements districts as part of their parent municipalities tax levies.

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

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

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors’ Provision

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

Execution/Attachment of Municipal Property

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

Authority to File For Municipal Bankruptcy

The Federal Bankruptcy Code allows public bodies, such as counties, city, towns or villages, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness. While this Local Finance Law provision does not apply to school districts, there can be no assurance that it will not be made so applicable in the future.

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

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

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

State Debt Moratorium Law

There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

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

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature, as described below, 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.

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

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

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

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

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

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

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

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

Article VIII, Section 12 of the Constitution which declares it to be the duty of the State legislature to restrict , subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

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

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

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

Several municipalities in the State are presently working with the FRB. The Village is presently not working with the FRB and does not reasonably anticipate doing so in the foreseeable future. School districts and fire districts are not eligible for FRB assistance.

Constitutional Non-Appropriation Provision

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

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

Default Litigation

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

No Past Due Debt

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

THE VILLAGE

General Information

The Village was incorporated in 1813 and encompasses approximately 3.0 square miles within the Town of Ossining (the “Town”). The Village is situated on the eastern bank of the Hudson River, approximately 30 miles north of New York City.

The Village's population, according to U.S. Census data, is estimated to be 27,551 for 2020. Except for a decline of 6.75% recorded by the 1980 census, population in the Village has increased steadily with each official decennial census since 1950. Population trends for the County and State are generally comparable to the trends experienced by the Village during this period of time.

Wealth levels in the Village are above State levels as a whole. According to the US Census Bureau data, median family income in the Village for 2020 was \$83,060 compared to \$99,489 and \$71,117 for families in the County and State, respectively. Per capita income in the Village for 2020 was \$41,764 compared to \$57,953 for the County and \$40,898 for the State as a whole.

Form of Governmental

The Village was established as a municipal government by the State and is vested with such powers and responsibilities inherent in the operation of municipal government, including the adoption of rules and regulations to govern its affairs. In addition, the Village may tax real property situated in its boundaries and issue debt subject to the provision of the Local Finance Law. There is one independent school district operating in the Village, which possesses the same powers with respect to taxation and debt issuance. Village residents also pay real property taxes to the Town and County to support programs administered by these governmental bodies.

Government operations of the Village are subject to the provisions of the State Constitution and various statutes affecting village governments including Village Law, the General Municipal Law and the Local Finance Law. The Village has a special charter, which in many instances takes precedence over general statutory requirements. Real property assessment, collection, and enforcement procedures are determined by the Real Property Tax Law.

Financial Institutions

There are ten commercial banks within the Village. Commercial banks include branches of: Citibank, JPMorgan Chase Bank, Emigrant Bank, Tompkins Community Bank, Mahopac Bank, M&T Bank, People's United Bank, TD Bank, Valley National Bank and Wells Fargo.

Utilities

The residents of the Village receive electric and natural gas services from the Consolidated Edison Company. Under an agreement with the Power Authority of the State of New York, this agency supplies electricity to meet the operational needs of the Village government. Verizon provides telephone and other communication services in the Village. Cablevision and Verizon FIOS provide cable and internet services in the Village.

The Village is a part of the County Refuse District No. 1 which operates a mass-burn resource recovery facility located in the City of Peekskill in the northwest corner of the County. Properties located in the County Refuse District are subject to annual assessments to pay service charges for processing solid waste as well as operating and capital expenses of such district.

The Village operates a municipal water system. Sewage collection is a Village function, the County provides sewage treatment.

Elected and Appointed Officials

Elected Officials

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

The Mayor is elected for a two-year term of office with the right of self-succession. In addition, the Mayor is a full member of and the presiding officer of the Village Board of Trustees.

Appointed Officials

Pursuant to a public referendum held in 1968, the Village has a Village Manager who is appointed by the Village Board of Trustees and serves at its pleasure. The Manager is the Chief Executive Officer of the Village and is responsible for the day-to-day operations. The Manager appoints certain department heads and hires employees. The Manager serves as the Budget Officer of the Village.

The Village Clerk is appointed by the Board of Trustees for a four-year term. The responsibilities of the Clerk are many and varied. The Clerk has custody of the corporate seal, books, records, and papers of the Village, and all the official reports and communications of the Board of Trustees. In addition, the Clerk serves as the clerk to the Board of Trustees and various village boards and keeps the records of their proceedings. The Village Clerk is responsible for maintaining the Village code of laws and ordinances as it relates to the codes for building, plumbing, electric, zoning, vehicle and traffic regulations, and general ordinances.

The Village Treasurer is appointed by the Village Manager subject to confirmation by the Board of Trustees. The Treasurer is the Chief Fiscal Officer of the Village and also serves as the Comptroller for the Town pursuant to an inter-municipal agreement. Duties and responsibilities of the position are as follows: maintain 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 Treasurer is the tax collector responsible for collecting and enforcing delinquent Village taxes.

Services

The Village provides its residents with many of the services traditionally provided by village governments in the State. In addition, the Town and County furnish certain other services. A list of the services provided by the Village are as follows: police protection and law enforcement; water and sewer services; refuse collection (the Village is a member of County Refuse District No. 1); highway and public facilities maintenance; cultural and recreational activities; building code enforcement and planning and zoning administration. The Ossining Public Library, sponsored by the Ossining School District, provides library services to Village residents. Fire protection is furnished by a volunteer fire department, which is funded as a Village function.

Pursuant to State law, the County, not the Village, is responsible for funding and providing various social service and health care programs such as Medicaid, aid to the families with dependent children, home relief and mental health programs. The County is also responsible for certain sewer services for which purpose special county districts were established. A two-year community college, which is a member of the State University system, is sponsored by the County.

Employees

The Village employs 180 full-time employees and approximately 140 part-time and seasonal employees. Certain employees are represented by one of two unions. Clerical and certain laborers belong to the Civil Service Employees Association. The Ossining Police Benevolent Association is the collective bargaining agent for the police officers. The following tables summarize the contract status of each unit.

Name of Union	Expiration Date of Contract	Approx. No. of Members
Ossining Police Benevolent Assoc.	12/31/2021	57
Civil Service Employees Assoc.	12/31/2024	106

a. Any contracts expired as of the date of this Statement are in negotiation.

Selected Wealth and Income Indicators

	Per Capita Income		
	2000	2010	2020 ^a
Village	\$25,036	\$31,192	\$41,764
County of Westchester	36,726	47,814	57,953
State of New York	23,389	30,948	40,898
	Median Household Income		
	2000	2010	2020 ^a
Village	\$52,185	\$70,864	\$83,060
County of Westchester	78,881	79,619	99,489
State of New York	43,393	55,603	71,117

Source: United States Bureau of the Census

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

Average Employed Civilian Labor Force

	Average Employed Civilian Labor Force		
	2000	2010	2020
Village	NA	NA	13,185
Town of Ossining	17,600	18,100	18,989
County of Westchester	445,400	443,500	437,800
State of New York	8,718,700	8,769,700	8,361,000

Source: The New York State Department of Labor

Population

Year	Village of Ossining	County of Westchester	State of New York
2000	24,010	923,459	18,976,457
2010	25,060	938,406	19,229,752
2020	27,551	968,738	19,514,849

Source: United States Bureau of the Census

Housing Stock

	Housing Stock		
	2000	2010	2020 ^a
Village	8,515	8,862	8,703
County of Westchester	349,445	370,821	388,963
State of New York	7,679,307	8,108,103	8,488,066

Source: United States Bureau of the Census

Median Housing Values and Rents (2020)

	Median Housing Values and Rents (2020)	
	Median Value (Owner Occupied)	Median Rent (Renter Occupied)
Village	\$437,600	\$1,763
County of Westchester	559,400	1,599
State of New York	325,000	1,315

Source: United States Bureau of the Census

Selected Listing of Larger Employers in the County

Name	Type of Business
Westchester Medical Center	Hospital/Healthcare Services
PepsiCo Inc.	Soft Drinks/Snack Food
IBM Corp.	Computer Hardware/Software
St. John's Riverside Hospital	General Medical & Surgical
White Plains Hospital	Hospital/Healthcare Services
Regeneron Pharmaceuticals Inc.	Pharmaceuticals
St. Joseph's Medical Center	Hospital/Healthcare Services
Northern Westchester Hospital	General Medical & Surgical
Montefiore New Rochelle	General Medical & Surgical

Source: Westchester County Official Statement (2023).

Unemployment Rate Statistics

Annual Averages:	Town of Ossining (%)	Westchester County (%)	New York State (%)
2019	3.2	3.6	3.8
2020	6.9	8.0	9.9
2021	4.4	4.8	6.9
2022	2.8	3.1	4.4
2023	2.9	3.2	4.2
2024 (4 Month Average)	3.5	3.7	4.2

Source: New York State Department of Labor.

CONSTRUCTION ACTIVITY

Major Construction Projects

Hudson Crest

Hudson Crest, previously Hudson Steppe, involves the proposed development of one hundred eighty-nine (189) multi-family condominium or rental dwelling units designed to substantially conform to the requirements of the Village’s Planned Waterfront zoning, with the applicant receiving a waiver from the Zoning Code to allow construction on steep slopes and a variance to allow a 5-story, 38-foot building. The proposed mix of dwellings includes studio, one-, and two- bedroom units. Nineteen (19) units will be marketed at affordable prices. In addition, the renovated Smith-Robinson House will accommodate three floors (7,500 SF) of live/work office space (consistent with the prior approval). The office space will be marketed primarily to the project tenants for small offices within a short walk from their units.

The project includes a small amount of surface parking and features an underground, fully-automated parking facility for most of the parking. The state-of-the-art parking system will allow the site plan to avoid well over an acre of impervious pavement. Site amenities will include a recreation center for project residents with a swimming pool, private garden areas, a 0.5-acre landscaped plaza space in the center of the site, indoor exercise/fitness room, clubhouse and media room, a bicycle storage facility, and green roofs. This project will also include historic restoration of the Smith-Robinson House, streetscape improvement, storm water improvements and water main improvements. Demolition of the vacant buildings and excavation of the site has been completed and approvals require renewal.

Hidden Cove on Hudson

Hidden Cove involves the proposed development of 137 one- and two-bedroom apartments, including 14 affordable housing units, on the five-acre site of the former historic Brandreth Pill Factory which once stood along the banks of the Hudson River. The proposal includes a parking level under the apartments, enclosed swimming pool, exercise room, outdoor recreation facilities, and “green initiatives” such as solar panels. The Village will also receive 1.25 acres of open space that could connect to the Crawbuckie Nature Preserve. An open air pavilion will be built on the site as a tribute to the Brandreth Pill Factory, will incorporate architectural elements of the buildings once existing on the site, and will serve as an inviting waterfront destination for the general public to enjoy and learn about the site’s history. Roadway and sidewalk improvements will also be included on the North Water Street access road. Village officials and the developer consider the project a key part of the Village’s goal to revitalize the northern waterfront district. The applicant previously received its site plan approval, necessary zoning variances, and a special use permit, but have since lapsed. The applicant has expressed its intention to resubmit for its previous approvals and will require a certificate of appropriateness from the Historic Preservation Commission as well as an approval from the Board of Architectural Review in addition to the renewing previous approvals.

80 Main Street

On the site of the old Elks Lodge, with views of the Hudson River, a developer built a 25-unit apartment building for residents aged 55 and above. Construction was completed in 2018 at a cost of about \$2.0 million. Since then a retaining wall on the edge of the property collapsed and the property was damaged by a flood. The property is currently unoccupied without a certificate of occupancy and changed ownership late 2022. The owner is currently pursuing approvals for a new retaining wall and updated site work.

Birch Brook Manor

The applicant has proposed the development of 5 3-bedroom condominium townhouse units on a currently vacant parcel of land. All land use approvals have been granted. Application for a building permit was reapproved in 2023 and received extensions in 2024.

Riverwalk

The applicant has proposed a 4 story 48 unit market-rate residential rental building on a vacant property, with 97 parking spaces. The proposal also contains significant public amenities, including a railway connection to the nearby Crawbuckie Nature preserve. Land use review is expected to be completed in 2024.

136-140 Croton Avenue

The developer has proposed a 78 unit senior affordable housing building with a 3500 s.f. ground floor retail space and 79 parking spaces located on the bottom floor and portion of the first floor. The proposal has received all land use approvals. Application for the building permit is expected by the end of 2024.

70A Croton Avenue

70A Croton Avenue is a 12 unit, mixed-use apartment building with two floors of apartments above parking and small retail store. The property is currently mid-construction and is undergoing independent engineering review in order for the building permit to be reinstated.

30 Water Street

The Village Board recently renewed preferred developer status on a Village-owned parcel of 3.3 acres on Water Street that formerly housed the former Department of Public Works facility prior to 2000. The developer is proposing the following:

- 109 units of mixed-income affordable housing with roof top terraces and amenity space
- 3,558 s.f. of retail space
- 3,740 s.f. of Community space
- 4 story parking garage with 131 spaces for the building and an additional 45 spaces for municipal public parking.
- Creation of a linear park running through the middle of the property with a trail connection to the Sing Sing Kill greenway trail.

The land use approval process is complete, with building permit expected to be submitted in late 2023 to early 2024.

Other Proposed and Recent Development in the Village

The following new construction projects in the Village have been recently completed, are in progress, or are proposed:

5-9 Water Street

A developer is proposing the conversion of an existing 2 and a half story office building by adding a 4th floor to the building and using the top three stories for residential (4 units) and the bottom story for office space. All land use approvals have been granted for the project and the building permit application has been submitted.

Atria Expansion

The developer is proposing the expansion of the site to add 39 units of senior housing to the existing facility. All land use approvals have been received and the developer had received an extension to allow them time to submit for the building permit, which have expired at this time.

173-175 North Highland

The Developer is proposing the construction of a new Gas Station and Snack shop on land that previously had a house on it but has since been knocked down.

Ossining Children's Center

Construction was completed in 2020 of a new three story, 27,000 sq. ft. building on a 2.5 acre site on State Street housing the relocated Ossining Children's Center, and allowing the consolidation of their programs for infant, toddler, pre-school and after-school care at a central location.

Snowden House Apartments

With assistance from the Westchester County Industrial Development Agency, the Snowden House Apartments were extensively renovated in 2017 at a cost of about \$4.2 million. Snowden House consists of 124 affordable section 8 rental apartments. Interior renovations included kitchens, bathrooms and living areas, as well as upgrades to the hallways, community and amenity spaces, and improvements to the HVAC and security building systems.

Maple House Apartments

The Maple House Apartments, a 6-story, 105 unit facility in the Village's downtown area, received assistance from the Westchester County Industrial Development Agency in the form of a serial bond for interior and exterior repairs and renovations, including roof, elevator replacement, and upgrade to mechanical systems. Also included are new management office, business center, fitness center, and library/game room, and kitchen cabinets/appliances and bathroom fixtures/vanities in apartments as needed. The total estimated cost of the project was \$3.6 million, and the renovations were completed in 2018. Maple House is designed as "enriched housing" for the disabled and seniors who qualify for a federal Section 8 housing subsidy.

Hudson Crossings at Market Square

In 2015, after being a vacant lot and parking lot along the Main Street crescent in the central business district for twenty years, a new five story, mixed use residential and commercial building was completed at a cost of \$8.0 million. The street level space includes 1,200 sq. ft. of retail use and 3,200 sq. ft. of restaurant space, and the upper floors includes 31 market rate and affordable housing apartments.

90-92 South Highland Avenue

Former site of the Ossining Children's Center. Two buildings with a combined 10 new residential units (3 units at #92 and 7 units at #90). The lots were merged in 2022 as a condition of Planning approval. Work is underway.

81-89 South Highland Ave

Approvals have been received to subdivide the property and construct five-unit townhouse-style dwellings.

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, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute or the weighted average period of probable usefulness thereof; and 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 and bond anticipation 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 "Nature of Obligation", the State Legislature is prohibited by a specific constitutional provision from restricting the power of the Village to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limitation Law imposes a statutory limitation on the Village's power to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in the Tax Levy Limitation Law. See "Tax Levy Limitation 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 provisions set forth above. The power to spend money, however, generally derives from other law, including the Village Law.

Pursuant to the Local Finance Law, the Village authorizes the incurrence of indebtedness by the adoption of a bond ordinance approved by at least two-thirds of the members of the Board of Trustees, the finance board of the Village.

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 is in compliance with such requirement with respect to the bond resolutions authorizing the issuance of the renewal money portion of the Notes. The Village is in the process of complying with such requirement with respect to the bond resolutions authorizing the issuance of the new money portion 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 notes 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, 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 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 Office of Real Property Tax 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 Limitation 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 Limitation Law. See “Tax Levy Limitation Law,” herein.

Computation of Debt Limit and Calculation of Net Debt Contracting Margin
(As of August 15, 2024)

Fiscal Year Ending December 31:	Assessed Valuation	State Equalization Rate (%)	Full Valuation
2020	\$2,109,379,276	100.00	\$2,109,379,276
2021	2,223,109,990	100.00	2,223,109,990
2022	2,266,091,613	100.00	2,266,091,613
2023	2,588,555,417	100.00	2,588,555,417
2024	2,837,029,039	100.00	2,837,029,039
Total Five Year Full Valuation			\$12,024,165,335
Average Five Year Full Valuation			2,404,833,067
Debt Limit - 7% of Average Full Valuation			168,338,315
Inclusions:			
Outstanding Bonds			\$16,600,000
Bond Anticipation Notes			9,367,338
Total Inclusions			25,967,338
Exclusions:			
Water Debt			10,881,110
Appropriations			0
Total Exclusions:			10,881,110
Total Net Indebtedness Before the Issuance of the Notes			15,086,228
The Notes			49,532,915
BANs to be Redeemed by the Issuance of the Notes			9,367,338
Additional Water Debt in the Notes			38,000,000
Net Effect of the Notes			2,165,577
Total Net Indebtedness After the Issuance of the Notes			17,251,805
Net Debt Contracting Margin			\$151,086,509
Per Cent of Debt Contracting Margin Exhausted			10.25%

Debt Service Requirements – Outstanding Bonds

Fiscal Years Ending December 31:	Principal Payment	Interest Payment	Total Debt Services
2024	\$ 2,355,000	\$ 536,664	\$ 2,891,664
2025	1,840,000	458,229	2,298,229
2026	1,860,000	398,666	2,258,666
2027	1,740,000	337,556	2,077,556
2028	1,500,000	279,406	1,779,406
2029	1,505,000	230,806	1,735,806
2030	1,430,000	181,906	1,611,906
2031	1,025,000	135,206	1,160,206
2032	870,000	104,306	974,306
2033	700,000	74,806	774,806
2034	580,000	52,244	632,244
2035	435,000	35,269	470,269
2036	440,000	23,006	463,006
2037	175,000	10,581	185,581
2038	145,000	4,894	149,894
Totals:	<u>\$16,600,000</u>	<u>\$2,863,546</u>	<u>\$19,463,546</u>

Trend of Village Indebtedness

	Fiscal Year Ending December 31:				
	2019	2020	2021	2022	2023
Debt Outstanding End of Year:					
Bonds	\$27,490,000	\$24,650,000	\$21,300,000	\$18,940,000	\$16,600,000
BANs	4,930,779	7,107,446	8,998,526	10,152,452	9,367,338
Total Debt Outstanding	<u>\$32,420,779</u>	<u>\$31,757,446</u>	<u>\$30,298,526</u>	<u>\$29,092,452</u>	<u>\$25,967,338</u>

Details of Short-Term Indebtedness Outstanding

The Village has \$9,367,338 bond anticipation notes outstanding for various public improvements within the Village due September 20, 2024, which will be redeemed by the issuance of the Notes and available funds.

Energy Performance Contract Debt

The Village, in 2012, entered into a contractual agreement to install energy saving equipment and/or upgrade existing facilities in order to assist the Village in reducing its ongoing energy costs. The terms of the agreement provide for monthly installments of \$8,450 through 2024. The payments include interest which is based on a variable rate that is re-set every January. Currently, the applicable interest rate is 4.27%. The balance due at December 31, 2023 was \$25,410.53.

In addition to the above reference contract, the Village has also entered into an energy performance contract for conversion of streetlights to LED bulbs. This contract is payable in annual installments of \$100,524 including interest. The balance due at December 31, 2023 is \$186,493.02.

Capital Improvement Plan

The five-year capital plan submitted to the Village Board of Trustees for the years 2024 through 2028 estimates total capital spending for General, Water, and Sewer purposes will be approximately \$47.47 million. Village officials expect the capital improvements will be paid from a combination of debt (\$19.90 million), operating funds (\$17.50 million), and grants or other funds (\$10.06 million) (DRI Grant is \$8.60 million). Although debt issued for water and sewer purposes are paid from water and sewer user charges, such debt is general obligation debt of the Village that is backed by a pledge of the faith and credit of the Village for the payment of principal and interest. A summary of the five-year plan is presented in the table below. Full copies of the capital improvement plan can be found in the Village's 2024 adopted budget.

Fund	2024	2025	2026	2027	2028	Total
General	\$18,612,285	\$2,882,750	\$1,861,000	\$1,925,000	\$1,591,000	\$26,872,035
Water	3,783,150	1,500,000	5,000,000	250,000	0	10,533,150
Sewer	6,050	0	0	0	0	6,050
Other	9,011,000	334,000	240,000	240,000	240,000	10,065,000
Total:	<u>\$31,412,485</u>	<u>\$4,716,750</u>	<u>\$7,101,000</u>	<u>\$2,415,000</u>	<u>\$1,831,000</u>	<u>\$47,476,235</u>

Source: 2024 Adopted Budget of the Village and Village Officials.

Authorized but Unissued Indebtedness

As part of a grant application, the Board of Trustees, by resolution in September 2018, authorized appropriations of \$34,495,552 for estimated construction costs associated with the new Indian Brook Water Treatment Plant and subsequent resolutions have amended the project cost to \$105,729,040 and anticipates that construction of the new water treatment plant will begin in early 2024. The issuance of the Notes in the amount of \$38,000,000 will finance the first phase of the project. The Village has additional authorized but unissued indebtedness in the amount of \$3,360,228 for various projects that the Village plans to borrow for over the next couple of years.

Calculation of Estimated Overlapping and Underlying Indebtedness

Overlapping Units	Date of Report	Percentage Applicable (%)	Applicable Total Indebtedness	Applicable Net Indebtedness
Westchester County	12/07/2023	1.20	\$15,967,553	\$12,519,252
Town of Ossining	08/03/2023	42.23	3,097,486	2,763,743
Ossining UFSD	01/04/2024	36.11	10,244,407	6,556,420
Totals:			<u>\$29,309,446</u>	<u>\$21,839,416</u>

Debt Ratios (As of August 15, 2024)

	Amount ^a	Per Capita ^b	Percentage of Full Value (%) ^c
Total Direct Debt	\$25,967,338	\$ 943	0.92
Net Direct Debt	15,086,228	548	0.53
Total Direct & Applicable Total Overlapping Debt	55,276,784	2,006	1.95
Net Direct & Applicable Net Overlapping Debt	36,925,644	1,340	1.30

a. Prior to the issuance of the Notes.

b. The current estimated population of the Village is 27,551.

c. The full valuation of taxable real property in the Village for 2023-24 is \$2,838,625,039.

FINANCES OF THE TOWN

Budgetary Procedure

The Village Manager, who is also the Budget Officer of the Village, submits the tentative budget for the next fiscal year to the Board of Trustees during the first week of November. The Board of Trustees may make such changes or revisions as they deem appropriate subject to the provision of law. A public hearing is held on the budget at the second regularly scheduled board meeting in November. Members of the public may express their views on the budget but there is no provision for a formal vote on the budget. Following the public hearing and on or before the first Wednesday of December the Board of Trustees adopts the final budget. A copy of such budget must be filed with the Village Clerk and is available for public inspection.

Budgetary control is the responsibility of the Village Manager. Formal integration of the budget with the accounting system is used during the year as a management tool to provide control over expenditures.

A summary of the adopted budget for the fiscal year ending December 31, 2024 is presented in Appendix A hereto.

Certain Information Obtained from Financial Statements

The Village maintains its financial records in accordance with the Uniform System of Accounts for Villages prescribed by the State Comptroller. The financial records of the Village are audited by independent accountants. The last such audit made available for public inspection covers the fiscal year ended December 31, 2022. The Village also prepares an Annual Financial Report each year. The AFR for the fiscal year ending December 31, 2023 is attached as Appendix C.

Pursuant to Section 39 of the State's General Municipal Law, the Village has adopted an investment policy applicable to the investment of all moneys and financial resources of the Village. The responsibility for the investment program has been delegated by the Village Board of Trustees to the Treasurer who was required to establish written operating procedures consistent with the Village's investment policy guidelines. According to the investment policy of the Village, all investments must conform to the applicable requirements of law and provide for: the safety of the principal; sufficient liquidity; and a reasonable rate of return. The Village reviews its investment policy each year.

Authorized Investments.

The Village has designated fourteen banks or trust companies which are located and authorized to conduct business in the State to receive deposits of money, including certificates of deposits, from the Village. In addition, the Village is authorized to invest through an investment cooperative. Deposit limits of \$5,000,000 to \$15,000,000 have been established for these institutions.

In addition to bank deposits, the Village is permitted to invest moneys in direct obligations of the United States of America, obligations guaranteed by agencies of the United States where the payment of principal and interest are further guaranteed by the United States of America and obligations of the State. Other eligible investments for the Village include: revenue and tax anticipation notes issued by any municipality, school district or district corporation other than the Village (investment subject to approval of the State Comptroller); obligations of certain public authorities or agencies; obligations issued pursuant to Section 109(b) of the General Municipal Law (certificates of participation) and certain obligations of the Village, but only with respect to moneys of a reserve fund established pursuant to Section 6 of the General Municipal Law. The Village is also authorized to invest moneys with an investment cooperative program. Effective for 2019, the Village removed use of repurchase agreements from the adopted investment policy.

Collateral Requirements

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

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

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

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

Revenues

The Village derives its revenues primarily from real property taxes and special assessments, State aid and departmental fees and charges. A summary of such revenues for the years 2019-2023 is presented in Appendix A, hereto. Information for said fiscal years has been excerpted from the Village's financial reports, however, such presentation has not been audited.

Property Taxes

The Village derives a significant portion of its annual revenue through a direct real property tax.

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

Fiscal Year Ending December 31:	General Fund Total Revenue	Real Property Taxes	Real Property Taxes to General Fund Revenue (%)
2019	\$37,070,390	\$22,538,021	60.80
2020	37,066,276	22,864,356	61.69
2021	40,039,035	23,283,208	58.15
2022	44,333,713	23,744,577	53.56
2023	45,240,314	24,854,413	54.94
2024 (Budget)	43,276,925	25,253,953	58.35

a. Includes after financing sources.

Source: The annual audited financial statements (2019-2022), Unaudited Annual Financial Report (2023) and 2024 Adopted budget of the Village. The summary itself is not audited.

State Aid

The Village receives financial assistance from the State. Including other financing sources, State Aid of \$573,987 accounted for approximately 1.27% of total General Fund revenue, including other financing sources, during the 2023 fiscal year. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Village, in any year 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. Additionally, if the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Village, may be affected by a delay in the payment of State aid.

The State receives a substantial amount of federal aid for health care, education, transportation and other governmental purposes, as well as federal funding to respond to, and recover from, severe weather events and other disasters. Many of the policies that drive this federal aid may be subject to change under the federal administration and the current Congress. Current federal aid projections, and the assumptions on which they rely, are subject to revision in the future as a result of changes in federal policy, the general condition of the global and national economies and other circumstances, including the diversion of federal resources to address the current COVID-19 outbreak.

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

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

Fiscal Year Ending December 31:	General Fund Total Revenue	State Aid	State Aid to Revenues (%)
2019	\$37,070,390	\$235,455	0.64
2020	37,066,276	334,761	0.90
2021	40,039,035	478,147	1.19
2022	44,333,713	788,899	1.78
2023	45,240,314	573,987	1.27
2024 (Budget)	43,276,925	471,502	1.09

a: Includes other financing sources.

Source: The annual audited financial statements (2019-2022), Unaudited Annual Financial Report (2023) and 2024 Adopted budget of the Village. The summary itself is not audited.

Sales Tax

The Village receives a share of the County sales tax. The County presently imposes a 1 ½% County-wide sales and use tax on all retail sales. Additionally, the State, effective May 1, 2005, imposes a 4% State sales tax and a 3/8% sales tax levied in the Metropolitan Transportation Authority District. The cities in the County have the power under State law to impose by local law and State legislative enactment their own sales and use taxes. At present, such taxes are imposed at a rate of 2½% in the Cities of White Plains, Mount Vernon, New Rochelle, and Yonkers. The Cities of Rye and Peekskill do not impose such a sales tax.

In July 1991, the State Legislature authorized an additional 1% sales tax for the County to impose in localities other than cities which have their own sales tax. This additional 1% sales tax became effective on October 15, 1991 and has been extended through May 31, 2020. The additional 1% sales tax is to be apportioned between the County (33 1/3%), school districts in the County (16 2/3%) and towns, villages and cities in the County which have imposed sales taxes (50%).

In February of 2004, the State Legislature authorized an increase of ½% to the additional 1% 1991 sales tax. The County retains 70% of this amount, the municipalities 20% and the school districts 10%. This increase became effective March 1, 2004 and expired on May 31, 2020.

In April of 2019, the State Legislature authorized an increase of 1% to the County sales tax, raising the rate to 8.375% in County localities other than cities. The County will retain 70% of the 1% point increase, the municipalities retain 20% and school districts retain 10%. The rate increase is effective as of August 1, 2019.

The following table sets forth total General Fund revenues and sales taxes received for each of the past five fiscal years and the amounts budgeted for the current fiscal year.

Fiscal Year Ending December 31:	Total Revenue	Sales Tax	Sales Tax to Revenue (%)
2019	\$37,070,390	\$4,594,920	12.40
2020	37,066,276	5,194,677	14.01
2021	40,039,035	6,300,132	15.73
2022	44,333,713	7,143,923	16.11
2023	45,240,314	7,160,475	15.83
2024 (Budget)	43,276,925	6,717,000	15.52

a: Includes other financing sources.

Source: The annual audited financial statements (2019-2022), Unaudited Annual Financial Report (2023) and 2024 Adopted budget of the Village. The summary itself is not audited.

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, are limited by the State Constitution to two percent of the five-year average full valuation of taxable property of the Village.

Computation of Real Estate Property Tax Levying Limitation (Year Ending December 31, 2024)

Fiscal Year Ending December 31:	Full Valuation of Real Estate
2020	\$2,109,379,276
2021	2,223,109,990
2022	2,266,091,613
2023	2,588,555,417
2024	<u>2,837,029,039</u>
Total of Full Valuations	12,024,165,335
Five-Year Average Full Valuation	2,404,833,067
Tax Limit (2% of Average Full Valuation)	48,096,661
2024 Tax Levy for General Village Purposes	\$25,253,953
Total of Items Excluded from Tax Limit ^a	3,539,132
Tax Levy Subject to Tax Limit	21,714,821
Percentage of Tax Limit Exhausted	45.15%
Constitutional Tax Margin	26,381,840

a. Debt service exclusion.

Source: Statement of Constitutional Tax Limit for the year ending December 31, 2024.

Real Property Taxes, Assessments and Rates

Real Property taxes accounted for approximately 54.94% of total General Fund revenue (including other financing sources) for the fiscal year ended December 31, 2023 (See “Revenues,” herein). The following table shows the trend during the last five years for real property assessments, real property tax and assessment levies, general purpose tax rates.

Valuations, Tax Rates and Tax Levies

Fiscal Year Ending December 31:	Assessed Valuation	State Equilization Rate	Full Valuation	Tax Rate Per \$1,000 Assessed Valuation	Tax Warrant Levy
2020	\$2,109,379,276	100.00%	\$2,109,379,276	10.85	\$22,885,040
2021	2,223,109,990	100.00%	2,223,109,990	10.48	23,305,571
2022	2,266,091,613	100.00%	2,266,091,613	10.48	23,756,114
2023	2,588,555,417	100.00%	2,588,555,417	9.50	24,601,693
2024	2,837,029,039	100.00%	2,837,029,039	8.90	25,253,953

a. The State Office of Real Property Tax Services (the “ORPTS”)

Source: Statement of Constitutional Tax Limit for the year ending December 31, 2023 and Village Warrants.

Tax Collection Procedures

The Village Board of Trustees levies real property taxes pursuant to resolution and such taxes become a lien on the first day of January. Taxes may be paid in two installments in the months of January and July. The first installment may be paid without penalty through January 31. The second installment must be paid by July 31 in order to avoid the penalty. Payments made after the due dates must include a 5% penalty for the first month or fraction thereof and an additional 1% penalty for each month or part of a month thereafter.

Unpaid real property taxes are enforced pursuant to Article 11 of the Real Property Tax Law. The State made certain changes to this law in 1995 which eliminated annual tax sales and reduced the period for redeeming unpaid taxes to two years from the lien date. A notice of unpaid taxes is mailed to the property owner approximately 30 days following the last day on which a tax installment payment may be made without penalty. Subsequent notices are mailed periodically through the time the Village records a tax lien on its book. The Village generally records such liens in May in the calendar year following the lien date. If the taxes remain unpaid for a period of two years from the lien date, the Village may foreclose on the related property. A notice of foreclosure is filed with the State Supreme or County Court three months prior to the expiration of the redemption period. The Village may sell any property acquired for taxes to highest bidder at a public auction or in-lieu of such auction by approval of the Village Board of Trustees. The Village and the Town have a cooperative agreement covering situations where both parties have taken liens for unpaid taxes. Under this agreement, the municipality which conducts the foreclosure actions remits to the other its share of the net proceeds.

The following table sets forth the annual real property tax levy and the record of current tax collections of the Village for the last five completed years.

Real Property Tax Levies and Collections

Fiscal Year Ending December 31:	Gross Tax Levy ^a	Taxes Collected During Current Year ^b	Collected Current Basis (%)	Uncollected at Tax Lien Date ^c	% Uncollected Tax Lien Date
2018	\$22,493,674	\$22,253,587	98.93	\$191,574	0.85%
2019	23,201,917	22,939,434	98.87	249,383	1.07
2020	23,376,682	23,157,239	99.06	259,137	1.11
2021	23,800,470	23,489,765	98.69	264,834	1.11
2022	24,204,105	23,857,533	98.57	252,284	1.04
2023	25,018,619	24,835,169	99.27	296,309	1.18
2024	25,805,436	11,977,023	46.41	N/A	N/A

a. Includes water and sewer rent relieves and miscellaneous levies.

b. Includes only principal amount of the current year tax warrant collected.

c. For 2023 open taxes, 2022 lien filling June 30, 2023.

Source: Village Officials

Large Taxable Properties

2023 Assessment Roll for the Collection of 2024 Taxes ^a

Name	Assessed Valuation
Con Edison Co Of NY,	\$134,207,900
GGIF Hudson LLC,	64,214,800
Harbor Square Crossings LLC,	55,719,000
Urstadt Biddle Properties Inc,	35,848,500
Scarborough Manor Owners,	32,547,102
Parkview Apartments Corp,	25,670,690
High Meadow Coop No 1,	23,529,159
Cortlandt Living LLC,	21,094,400
OLSL Hudson LLC,	19,839,400
Jefferson House Assoc LLC,	16,750,000
Total:	<u><u>\$429,420,951</u></u>

a. Represents 15.14% of the total taxable Assessed Valuation of the Village for 2024.

The State Comptroller's Fiscal Stress Monitoring System

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 district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State's school districts and municipalities are operating.

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

The most current applicable report of OSC designates the Village as "No Designation" (Fiscal Score: 0.00%; Environmental Score: 13.3%). More information on the FSMS may be obtained from the Office of the State Comptroller.

See the State Comptroller's official website for more information on FSMS. Reference to this website implies no warranty of accuracy of information therein nor incorporation herein by reference.

In addition, the Office of the State Comptroller 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. The most recent audit performed was released on May 14, 2021. The purpose of such audit was to provide an independent evaluation of the Village's adopted budget for the 2021 fiscal year. The complete report may be found on the State Comptroller's official website.

Pension Systems

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

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

Police officers and firefighters who are members of PFRS are divided into four tiers. As with ERS, retirement benefit plans available under PFRS are most liberal for Tier 1 employees. The plans adopted for PFRS employees are noncontributory for Tier 1 and Tier 2 employees. Police officers and firefighters that were hired between July 1, 2009 and January 8, 2010 are currently in Tier 3, which has a 3% employee contribution rate by members. There is no Tier 4 in PFRS. Police officers and firefighters hired after January 9, 2010 are in Tier 5 which also requires a 3% employee contribution from members. Police officers and firefighters hired after April 1, 2012 are in Tier 6, which also originally had a 3% contribution requirement for members for FY 12-13;

however, as of April 1, 2013, Tier 6 PFRS members are required to contribute a specific percentage of their annual salary, as follows, until retirement or until the member has reached 32 years of service credit, whichever occurs first: \$45,000.00 or less contributes 3%; \$45,000.01 to \$55,000.00 contributes 3.5%; \$55,000.01 to \$75,000.00 contributes 4.5%; \$75,000.01 to \$100,000.00 contributes 5.75%; and more than \$100,000.00 contributes 6%.

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

The New York State Retirement System allows municipalities to make employer contribution payments in December of each year, at a discount, or the following February, as required. The Village generally opts to make its pension payments in December in order to take advantage of the discount rate.

Due to significant capital market declines in 2008 and 2009, the State's Retirement System portfolio experienced negative investment performance and severe downward trends in market earnings. As a result of the foregoing, the employer contributions for the State's Retirement System continue to be higher than the minimum contribution rate established by Chapter 49. Legislation was enacted that permits local governments and school districts to borrow a portion of their required payments from the State pension plan at an interest rate of 5%. The legislation also requires those local governments and school districts that amortize their pension obligations pursuant to the regulation to establish reserve accounts to fund payment increases that are a result of fluctuations in pension plan performance.

The Village does not currently amortize any pension payments.

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

Uncertainty regarding the short, medium and long-term effects of the COVID-19 pandemic has caused extreme volatility across all financial markets, including those markets in which the Retirement System funds are invested. While State Comptroller DiNapoli has made recent comments that the Common Retirement Fund is well-positioned to withstand current market disruption, the impacts of such volatility on future contribution rates, if any, cannot be known at this time.

Contributions to the Retirement Systems

For the years ended December 31, 2019 through 2023, and budgeted for 2024, the Village’s contributions to the ERS and PFRS are as follows:

Fiscal Year Ending December 31:	ERS	PFRS
2019	\$1,431,081	\$1,750,803
2020	1,479,477	1,971,270
2021	1,676,899	2,306,266
2022	1,364,573	2,323,054
2023	1,392,574	2,322,733
2024 (Budgeted)	1,787,835	2,696,381

Source: Village Officials and the 2024 Adopted Budget. This summary itself is not audited.

Other Post Employment Benefits

The Village provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. 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.

For fiscal years beginning after June 15, 2017, the Village adopted GASB 75, which eliminates GASB 45. Under GASB 45, 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.

Those plans that have more than 200 participants are required to have a full actuarial valuation annually. Plans with fewer than 200 participants are required to have a full valuation every two years.

The Village’s total OPEB liability at December 31, 2023 is as follows:

<u>Changes in the Total OPEB Liability</u>	<u>Fiscal Year Ending December 31, 2023:</u>
Total OPEB liability as of December 31, 2022	<u>\$ 95,560,558</u>
Changes for the year:	
Service Cost	2,892,944
Interest	4,027,225
Changes of benefit terms	-
Differences between actual and expected experience	1,875,606
Changes in Assumptions and Other Inputs	5,714,558
Benefit payments	<u>(4,242,914)</u>
Total Changes	<u>\$10,267,418</u>
Total OPEB liability as of December 31, 2023	<u><u>\$105,827,976</u></u>

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.

LITIGATION

There are presently pending against the Village claims seeking damages for alleged acts or omissions. These claims are in various stages of litigation and are pending in state and federal court as well as before administrative agencies (Equal Employment Opportunity Commission). The Village also has been named as a respondent in a number of Article 78 proceedings which do not seek monetary damages but seek to have decisions made by the village overturned. Some of the claims for which monetary damages are sought could, in the opinion of the village's legal counsel result in damages awarded to the plaintiffs. Such damages will be covered by insurance beginning with the village's self-insured retention of \$100,000. The types of cases pending against the village include trip and fall on village owned property, excessive force by village police officers, discrimination against owners of certain business establishments, property damage from motor vehicle accidents, etc. Again it is expected that any damages will be covered by insurance.

Risk Management

The Village's policies for general liability, automobile liability, property and public officials' errors and omissions coverage have self-insured retention levels of \$100,000 per occurrence for the January 1 to December 31, 2023 policy year. Primary insurance coverage was purchased for losses in excess of the retention levels, to a maximum limit of \$1,000,000. Excess insurance policy have been secured for losses in excess of \$1 million (\$100,000 retention plus \$1,000,000 primary insurance policy) to a maximum of \$10 million per occurrence for all liability losses and \$74,876,107 for property. The Workers' Compensation self-insured retention level is \$600,000 with primary insurance coverage limit of \$300,000. Excess Workers' Compensation insurance is purchased for losses in excess of \$600,000. Excess Workers' Compensation for Statutory Limits (unlimited in New York), with a \$1 million cap on employer's liability claims.

The governmental funds are charged premiums by the respective internal service fund. Claims payable in the internal service funds include provisions for claims reported and claims incurred but not reported. The Village is also self-insured for health benefits. A plan administrator has been retained to review and approve all claims. The Village has specific stop-loss insurance which establishes a maximum exposure limit of \$175,000 for each individual covered, with the exception of 1 employee who has a specific exposure limit of \$225,000, in the plan reimbursement to the Village. The Village also has aggregate stop-loss insurance which established a maximum exposure limit of \$9,163,215 for the 2023 plan year. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three years.

Tax Certiorari Claims

There is also pending against the Village various proceedings brought pursuant to Article 7 of the Real Property Tax Law to review and reduce real estate assessments and obtain a refund for alleged overpayments of real estate taxes. The Village, with minor adjustments, adopts the assessment roll prepared by the Village of Ossining (the "Village"). Proceedings to review real estate assessments are defended by the Village. Adjustments to the Village's assessment roll are made to reflect changes resulting from stipulations of judgment for any such proceeding to which the Village is also a party.

For the year ending December 31, 2023, there are currently pending various certiorari claims which were filed seeking assessment reductions and Small Claims Assessment Reviews ("SCARs"). The results of tax certiorari proceedings cannot be ascertained at this time; however, future refunds resulting from an adverse pending settlement or judgment will be funded in the year of payment. For 2023, the Village paid \$15,087 in direct tax refunds and (\$3,139 in SCARs). For the 2024 fiscal year (as of June 13, 2024) the Village has paid \$0 in direct tax refunds (and approved \$5,304 in SCARs). Pursuant to the Local Finance Law, the Village in the past has issued bond anticipation notes or used budgetary appropriations to pay tax refunds. It is believed that an adverse decision, in any or all of the tax certiorari proceedings, in whole or in part, whether by stipulation or judgment, will not have a material impact on the financial condition of the Village.

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the Village, threatened against or affecting the Village to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the Village taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries 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. 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. The Village holds an insurance policy to mitigate the losses associated with any cyber security threats.

MARKET AND RISK FACTORS

There are various forms of risk associated with investing in the Notes. The following is a discussion of certain events that could affect the risk of investing in the Notes. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential investment risk.

The financial and economic condition of the Village as well as the market for the Notes could be affected by a variety of factors, some of which are beyond the Village's control. There can be no assurance that adverse events in the State and in other jurisdictions, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Notes. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the Village to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Notes could be adversely affected.

The Village is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes and revenues in order to pay State aid to municipalities and school districts in the State, including the Village, in any year, the Village may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the Village. In some years, the Village has received delayed payments of State aid which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also "State Aid").

There are a number of general factors which could have a detrimental effect on the ability of the Village to continue to generate revenues, particularly property taxes. For instance, the termination of a major commercial enterprise or an unexpected increase in tax certiorari proceedings could result in a significant reduction in the assessed valuation of taxable real property in the Village. Unforeseen developments could also result in substantial increases in Village expenditures, thus placing strain on the Village's financial condition. These factors may have an effect on the market price of the Notes.

If a holder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. If and when a holder of any of the Notes should elect to sell a Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Notes. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Notes is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

Amendments to U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Notes and other debt issued by the Village. Any such future legislation would have an adverse effect on the market value of the Notes (See "Tax Exemption" herein).

The Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the Village and continuing technical and constitutional issues raised by its enactment and implementation could have an impact upon the finances and operations of the Village and hence upon the market price of the Notes. See "Tax Levy Limitation Law" herein.

TAX MATTERS

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

To the extent the issue price of any maturity of the Notes is less than the amount to be paid at maturity of such Notes (excluding amounts stated to be interest and payable at least annually over the term of such Notes), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Notes which is excluded from gross income for federal income tax purposes and exempt from State of New York personal income taxes. For this purpose, the issue price of a particular maturity of the Notes is the first price at which a substantial amount of such maturity of the Notes is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Notes accrues daily over the term to maturity of such Notes on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Notes to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Notes. Owners of the Notes should consult their own tax advisors with respect to the tax consequences of ownership of Notes with original issue discount, including the treatment of owners who do not purchase such Notes in the original offering to the public at the first price at which a substantial amount of such Notes is sold to the public.

Notes purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Notes”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of Notes, like the Premium Notes, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and an owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such owner. Owners of Premium Notes should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Bond Counsel is of the further opinion that the amount treated as interest on the Notes and excluded from gross income will depend upon the taxpayer’s election under Internal Revenue Notice 94-84. Notice 94-84, 1994-2 C.B. 559, states that the Internal Revenue Service (the “IRS”) is studying whether the amount of the stated interest payable at maturity on short-term debt obligations (i.e., debt obligations with a stated fixed rate of interest which mature not more than one year from the date of issue) that is excluded from gross income for federal income tax purposes should be treated (i) as qualified stated interest or (ii) as part of the stated redemption price at maturity of the short-term debt obligation, resulting in treatment as accrued original issue discount (the “original issue discount”). The Notes will be issued as short-term debt obligations. Until the IRS provides further guidance with respect to tax-exempt short-term debt obligations, taxpayers may treat the stated interest payable at maturity either as qualified stated interest or as includable in the stated redemption price at maturity, resulting in original issue discount as interest that is excluded from gross income for federal income tax purposes. However, taxpayers must treat the amount to be paid at maturity on all tax-exempt short-term debt obligations in a consistent manner. Taxpayers should consult their own tax advisors with respect to the tax consequences of ownership of Notes if the taxpayer elects original issue discount treatment.

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

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

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

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Notes for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Village, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Village has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Notes ends with the issuance of the Notes, and, unless separately engaged, Bond Counsel is not obligated to defend the Village or the owners regarding the tax-exempt status of the Notes in the event of an audit examination by the IRS. Under current procedures, owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt Notes is difficult, obtaining an independent review of IRS positions with which the Village legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Notes for audit, or the course or result of such audit, or an audit of Notes presenting similar tax issues may affect the market price for, or the marketability of, the Notes, and may cause the Village or the owners to incur significant expense.

Payments on the Notes generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate owner of Notes may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Notes and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Notes. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against an owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

LEGAL MATTERS

Legal matters incidental to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel's opinion will be in substantially the form attached hereto as Appendix B.

RATING

Moody's Investors Service ("Moody's"), 7 WTC at Greenwich Street, New York, NY, Phone: (212) 553-4055 and Fax: (212) 298-6761, has assigned a rating of "MIG-1" to the Notes. Generally, a rating agency bases its ratings on the information and materials furnished to it and on investigation, studies and assumptions by the rating agency. There is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant.

The Village's outstanding bonds is rated "Aa2" by Moody's. The rating reflect only the view of the rating agency and any desired explanation of the significance of such rating should be obtained from Moody's. Generally, a rating agency bases its ratings on the information and materials furnished to it and on investigation, studies and assumptions by the rating agency. There is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant. Any downward revision or withdrawal of such ratings could have an adverse affect on the market price of the Notes or the availability of a secondary market for such Notes.

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 financial advisor to the Village on matters relating to debt management. The Municipal Advisor is a financial 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 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.

OTHER MATTERS

The Village is in compliance with the procedure for the validation of the Notes provided in Title 6 of Article 2 of the Local Finance Law.

There is no bond or note principal or interest past due.

The fiscal year of the Village is January 1 to December 31.

This Official Statement does not include the financial data of any political subdivision of the State of New York having power to levy taxes within the Village, except as expressed in the "Calculation of Estimated Overlapping and Underlying Indebtedness."

ADDITIONAL INFORMATION

Additional information may be obtained upon request from the office of the Dale Brennan, Village Treasurer, 16 Croton Ave., Ossining, New York 10562, (914) 941-2581, email: DBrennan@villageofossining.org or from the office of Munistat Services Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776, telephone number (631) 331-8888 and website: <https://www.munistat.com>.

So far as 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 such opinions or estimates will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing with regard to the Notes is to be construed as a contract with the holders of the Notes.

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.

Orrick, Herrington & Sutcliffe LLP expresses no opinion as to the accuracy or completeness of any documents prepared by or on behalf of the Village for use in connection with the offer and sale of the Notes, including this Official Statement.

The preparation and distribution of this Official Statement have been approved by the Village Treasurer pursuant to the power delegated to her by the authorizing note resolutions to sell and deliver the Notes.

This Official Statement has been duly executed and delivered by the Village Treasurer of the Village of Ossining.

VILLAGE OF OSSINING, NEW YORK

By: s/s DALE BRENNAN
Village Treasurer and Chief Fiscal Officer

August , 2024

VILLAGE OF OSSINING, NEW YORK

APPENDIX A

FINANCIAL INFORMATION

Balance Sheets
General Fund

	Fiscal Year Ending December 31:				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Assets:					
Cash and Cash Equivalents	\$ 16,595,164	\$ 18,146,147	\$ 22,573,886	\$ 22,885,688	\$ 20,049,752
Investments				3,029,388	
Taxes Receivable (Net)	494,418	649,521	548,413	506,401	257,191
Other Receivables	201,297	235,277	534,531	1,159,581	602,701
State and Federal Aid Receivable	130,729	186,303	169,838	295,082	285,570
Due From Other Governments	1,453,219	1,485,453	1,775,181	1,897,610	2,000,549
Due From Other Funds	8,169	15,470	5,189	11,928	18,879
Inventory	19,855	13,140	25,297	28,411	25,822
Restricted Assets					539,988
Miscellaneous					1,860
Prepaid Expenditures	686,288	777,185	883,038	761,136	822,476
Total Assets	\$ 19,589,139	\$ 21,508,496	\$ 26,515,373	\$ 30,575,225	\$ 24,604,788
Liabilities:					
Accounts Payable & Accrued Expenses	\$ 1,563,522	\$ 2,173,676	\$ 3,252,696	\$ 4,580,442	\$ 3,051,037
Deposits	231,994	253,409	325,700	299,877	
Employee Payroll Deductions	23,755	66,422	33,389	78,468	
Unearned Revenue	327,076	128,515	1,478,225	2,798,849	
Due to Other Governments			2,536	6,504	
Due to State Retirement					777
Other Liabilities					2,896,201
Due to Other Funds	2,075	3,266	25,875		16,607
Total Liabilities	2,148,422	2,625,288	5,118,421	7,764,140	5,964,622
Deferred Inflows of Resources	1,075,507	503,685	584,586	540,548	393,875
Fund Balance:					
Nonspendable	706,143	790,325	908,335	789,547	848,299
Restricted	293,272	351,610	400,721	499,236	539,988
Committed	17,564	17,813	17,827	17,971	
Assigned	1,134,006	1,181,224	901,058	1,049,981	1,213,783
Unassigned	14,214,225	16,038,551	18,584,425	19,913,802	15,644,221
Total Fund Balances	16,365,210	18,379,523	20,812,366	22,270,537	18,246,291
Total Liabilities and Fund Balance	\$ 19,589,139	\$ 21,508,496	\$ 26,515,373	\$ 30,575,225	\$ 24,604,788

Source: Audited Financial Statements (2019-2022) & Annual Financial Report (2023)

NOTE: This Schedule is NOT audited

Statement of Revenues, Expenditures and Fund Balances
General Fund

	Fiscal Year Ending December 31:				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Revenues:					
Real Property Taxes	\$ 22,538,021	\$ 22,864,356	\$ 23,283,208	\$ 23,744,577	\$ 24,854,413
Real Property Tax Items	248,210	340,273	408,711	457,384	261,174
Non-Property Taxes	5,321,544	5,892,590	7,000,622	7,858,280	7,999,326
Department Income	2,082,596	1,340,368	1,931,978	2,275,301	2,570,210
Intergovernmental Charges	3,593,948	3,672,631	3,791,251	3,890,409	4,108,496
Use of Money and Property	732,272	567,125	453,667	760,689	2,316,779
Licenses & Permits	484,794	378,141	706,059	347,582	528,981
Fines & Forfeitures	502,966	333,716	457,749	649,422	725,244
Sale of Property and Compensation for Loss	9,637	107,178	14,046	105,576	909,902
Interfund Revenues	920,426	716,857	728,440	752,003	
State Aid	235,455	334,761	478,147	788,899	573,987
Federal Aid	4,244		10,500	337,073	172,266
Miscellaneous	296,221	211,189	369,900	92,387	185,536
Total Revenues	<u>36,970,334</u>	<u>36,759,185</u>	<u>39,634,278</u>	<u>42,059,582</u>	<u>45,206,314</u>
Expenditures:					
General Government Support	3,710,061	3,855,684	3,964,081	4,549,901	4,967,228
Public Safety	11,805,604	11,558,341	11,940,167	12,085,379	12,964,235
Health	1,016	8,107	7,543	11,000	16,330
Transportation	2,270,677	2,080,543	2,284,474	2,551,598	2,309,734
Economic Opportunity & Development	35,843	39,678	48,150	39,081	17,365
Culture and Recreation	2,894,280	2,310,706	2,721,238	3,474,485	3,573,023
Home and Community Services	1,834,741	2,146,379	2,131,984	2,221,916	2,176,592
Employee Benefits	9,956,777	10,295,101	11,574,620	13,679,567	11,778,005
Debt Service	10,080	20,831	8,515	6,812	907,941
Total Expenditures	<u>32,519,079</u>	<u>32,315,370</u>	<u>34,680,772</u>	<u>38,619,739</u>	<u>38,710,453</u>
Other Financing Sources (Uses):					
Insurance Recoveries	50,056	173,656	344,757	2,240,763	
Transfer In	50,000	133,435	60,000	33,368	34,000
Transfer (Out)	<u>(3,861,551)</u>	<u>(2,736,593)</u>	<u>(2,925,420)</u>	<u>(4,255,803)</u>	<u>(10,554,107)</u>
Total Other Financing Sources (Uses)	<u>(3,761,495)</u>	<u>(2,429,502)</u>	<u>(2,520,663)</u>	<u>(1,981,672)</u>	<u>(10,520,107)</u>
Excess (Deficiency) of Revenues & Other Financing Sources Over Expenditures & Other Uses					
	<u>689,760</u>	<u>2,014,313</u>	<u>2,432,843</u>	<u>1,458,171</u>	<u>(4,024,246)</u>
Fund Balance Beginning of Year	<u>15,675,450</u>	<u>16,365,210</u>	<u>18,379,523</u>	<u>20,812,366</u>	<u>22,270,537</u>
Prior Period Adjustments					
Fund Balance End of Year	<u>\$ 16,365,210</u>	<u>\$ 18,379,523</u>	<u>\$ 20,812,366</u>	<u>\$ 22,270,537</u>	<u>\$ 18,246,291</u>

Source: Audited Financial Statements (2019-2022) & Annual Financial Report (2023)

NOTE: This Schedule is NOT audited

Balance Sheets
Water Fund

	Fiscal Year Ending December 31:				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Assets:					
Cash and Cash Equivalents	\$ 3,341,607	\$ 4,430,162	\$ 5,955,504	\$ 6,399,320	\$ 8,383,272
Account Receivables	3,214,396	3,614,075	3,285,724	4,124,669	3,679,674
Due From Other Governments	173	119,413	3,062	726	2,790
Due From Other Funds			23,471		
Prepaid Expenditures	93,496	95,556	110,991	66,483	84,668
State and Federal Aid Receivable	5,477				
Total Assets	\$ 6,655,149	\$ 8,259,206	\$ 9,378,752	\$ 10,591,198	\$ 12,150,404
Liabilities:					
Accounts Payable & Accrued Expenses	\$ 1,126,644	\$ 626,331	\$ 705,784	\$ 852,987	\$ 743,343
Unearned Revenue	16,837	34,960	29,798	25,405	23,833
Due to Other Governments		212	212	212	212
Due to Other Funds		17,778			
Total Liabilities	1,143,481	679,281	735,794	878,604	767,388
Deferred Inflows of Resources					
Fund Balance:					
Nonspendable	93,496	95,556	110,991	66,483	84,668
Restricted	222,301	223,425	223,597	225,407	230,913
Assigned	5,195,871	7,260,944	8,308,370	9,420,704	11,067,435
Unassigned					
Total Fund Balances	5,511,668	7,579,925	\$ 8,642,958	9,712,594	11,383,016
Total Liabilities and Fund Balance	\$ 6,655,149	\$ 8,259,206	\$ 9,378,752	\$ 10,591,198	\$ 12,150,404

Source: Audited Financial Statements (2019-2022) & Annual Financial Report (2023)

NOTE: This Schedule is NOT audited

**Statement of Revenues, Expenditures and Fund Balances
Water Fund**

	Fiscal Year Ending December 31:				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Revenues:					
Department Income	\$ 11,182,169	\$ 11,625,669	\$ 12,019,213	\$ 13,160,409	\$ 13,787,171
Use of Money and Property	32,358	24,284	6,643	59,596	221,098
Sale of Property and Compensation for Loss	2,578	13,176	25,597	172,360	61,776
Miscellaneous	28,661	221,721	34,545	26,575	23,130
Total Revenues	11,245,766	11,884,850	12,085,998	13,418,940	14,093,175
Expenditures:					
General Government Support	676,304	475,181	663,460	525,959	476,937
Home and Community Services	7,084,834	6,564,786	6,362,924	6,838,544	7,080,264
Employee Benefits	1,125,548	1,074,623	1,222,944	1,288,215	1,151,358
Debt Service	29,311	57,137	16,654	9,438	1,879,048
Total Expenditures	8,915,997	8,171,727	8,265,982	8,662,156	10,587,607
Other Financing Sources (Uses):					
Transfer In	40,000	68,802			
Transfer (Out)	(1,839,190)	(1,713,668)	(2,756,983)	(3,687,148)	(1,835,146)
Total Other Financing Sources (Uses)	(1,799,190)	(1,644,866)	(2,756,983)	(3,687,148)	(1,835,146)
Excess (Deficiency) of Revenues & Other Financing Sources Over Expenditures & Other Uses	530,579	2,068,257	1,063,033	1,069,636	1,670,422
Fund Balance Beginning of Year	4,981,089	5,511,668	7,579,925	8,642,958	9,712,594
Prior Period Adjustments					
Fund Balance End of Year	\$ 5,511,668	\$ 7,579,925	\$ 8,642,958	\$ 9,712,594	\$ 11,383,016

Source: Audited Financial Statements (2019-2022) & Annual Financial Report (2023)

NOTE: This Schedule is NOT audited

Balance Sheets
Sewer Fund

	Fiscal Year Ending December 31:				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Assets:					
Cash and Cash Equivalents	\$ 893,843	\$ 1,143,005	\$ 1,474,483	\$ 1,571,308	\$ 2,126,192
Account Receivables	525,633	556,926	541,813	650,261	628,810
Due From Other Governments	155,352	166,760	164,519	175,987	173,252
Due From Other Funds			3,757		
Prepaid Expenditures	18,882	20,405	26,051	14,562	13,791
State and Federal Aid Receivable	1,956				
Total Assets	\$ 1,595,666	\$ 1,887,096	\$ 2,210,623	\$ 2,412,118	\$ 2,942,045
Liabilities:					
Accounts Payable & Accrued Expenses	\$ 58,995	\$ 64,063	\$ 87,318	\$ 86,068	\$ 44,301
Due to Other Funds			1,950		
Other Liabilities					223
Total Liabilities	58,995	64,063	89,268	86,068	44,524
Deferred Inflows of Resources					
Fund Balance:					
Nonspendable	18,882	20,405	26,051	14,562	13,791
Restricted					
Assigned	1,517,789	1,802,628	2,095,304	2,311,488	2,883,730
Total Fund Balances	1,536,671	1,823,033	2,121,355	2,326,050	2,897,521
Total Liabilities and Fund Balance	\$ 1,595,666	\$ 1,887,096	\$ 2,210,623	\$ 2,412,118	\$ 2,942,045

Source: Audited Financial Statements (2019-2022) & Annual Financial Report (2023)

NOTE: This Schedule is NOT audited

Statement of Revenues, Expenditures and Fund Balances
Sewer Fund

	Fiscal Year Ending December 31:				
	2019	2020	2021	2022	2023
Revenues:					
Department Income	\$ 1,762,269	\$ 1,902,719	\$ 1,925,047	\$ 2,069,038	\$ 1,964,604
Intergovernmental Charges					173,252
Use of Money and Property	9,426	3,088	893	6,352	28,827
Sale of Property and Compensation for Loss	921	4,706	9,151	61,557	22,063
Miscellaneous	1,956		2,449	2,299	2,244
Total Revenues	1,774,572	1,910,513	1,937,540	2,139,246	2,190,990
Expenditures:					
General Government Support	167,089	98,017	116,710	111,237	142,251
Home and Community Services	874,885	846,012	804,258	966,094	712,506
Employee Benefits	303,384	289,605	343,002	377,588	301,914
Debt Service		1,042	217	102	5,847
Total Expenditures	1,345,358	1,234,676	1,264,187	1,455,021	1,162,518
Other Financing Sources (Uses):					
Transfer In					
Transfer (Out)	(391,071)	(389,475)	(375,031)	(479,530)	(457,000)
Total Other Financing Sources (Uses)	(391,071)	(389,475)	(375,031)	(479,530)	(457,000)
Excess (Deficiency) of Revenues & Other Financing Sources Over Expenditures & Other Uses	38,143	286,362	298,322	204,695	571,472
Fund Balance Beginning of Year	1,498,528	1,536,671	1,823,033	2,121,355	2,326,050
Prior Period Adjustments					(1)
Fund Balance End of Year	\$ 1,536,671	\$ 1,823,033	\$ 2,121,355	\$ 2,326,050	\$ 2,897,521

Source: Audited Financial Statements (2019-2022) & Annual Financial Report (2023)

NOTE: This Schedule is NOT audited

**Budget Summaries
Operating Funds**

Fiscal Year Ending December 31, 2024:

	<u>Appropriations</u>	<u>Less: Estimated Revenues</u>	<u>Less: Apropriated Fund Balance</u>	<u>Amount to be Raised by Real Property Taxes</u>
General Fund	\$ 43,276,925	\$ 17,206,225	\$ 816,747	\$ 25,253,953
Water Fund	12,026,976	12,026,976		
Sewer Fund	1,867,551	1,867,551		
Section 8 Program	3,316,175	3,316,175		
Debt Service Fund	<u>3,016,717</u>	<u>2,892,784</u>	<u>123,933</u>	
Subtotal	<u>63,504,344</u>	<u>37,309,711</u>	<u>940,680</u>	<u>25,253,953</u>
Less: Interfund Transfers	<u>(2,974,413)</u>	<u>(2,974,413)</u>		
Net Total	<u>\$ 60,529,931</u>	<u>\$ 34,335,298</u>	<u>\$ 940,680</u>	<u>\$ 25,253,953</u>

Sources: Adopted Budget of the Village

**Budget Summaries
Operating Funds**

Fiscal Year Ending December 31, 2023:

	<u>Appropriations</u>	<u>Less: Estimated Revenues</u>	<u>Less: Apropriated Fund Balance</u>	<u>Amount to be Raised by Real Property Taxes</u>
General Fund	\$ 41,536,806	\$ 16,094,738	\$ 840,375	\$ 24,601,693
Water Fund	11,621,046	11,621,046		
Sewer Fund	1,843,852	1,843,852		
Section 8 Program	3,532,611	3,532,611		
Debt Service Fund	<u>3,099,089</u>	<u>2,955,730</u>	<u>143,359</u>	
Subtotal	<u>61,633,404</u>	<u>36,047,977</u>	<u>983,734</u>	<u>24,601,693</u>
Less: Interfund Transfers	<u>(2,979,379)</u>	<u>(2,979,379)</u>		
Net Total	<u>\$ 58,654,025</u>	<u>\$ 33,068,598</u>	<u>\$ 983,734</u>	<u>\$ 24,601,693</u>

Sources: Adopted Budget of the Village

APPENDIX B

FORM OF BOND COUNSEL'S OPINION

September 18, 2024

Village of Ossining,
County of Westchester,
State of New York

Re: Village of Ossining, Westchester County, New York
\$49,532,915 Bond Anticipation Note, 2024

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of a \$49,532,915 Bond Anticipation Note, 2024 (the "Obligation"), of the Village of Ossining, Westchester County, New York (the "Obligor"), dated September 18, 2024, numbered _____, of the denomination of _____, bearing interest at the rate of _____ % per annum, payable at maturity, and maturing September 18, 2025.

We have examined:

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

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

In our opinion:

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

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

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

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

Very truly yours,

/es

APPENDIX C

**ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

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