Supplement
dated April 14, 2026

to the

Official Statement
dated April 8, 2026

relating to

TOWN OF CORNWALL
ORANGE COUNTY, NEW YORK

$370,000 PUBLIC IMPROVEMENT SERIAL BONDS – 2026

AND

$7,515,000 BOND ANTICIPATION NOTES – 2026 SERIES A

The following sections have hereby been revised:

Compliance History

The Town previously filed an event notice in 2024 related to its December 2023 Bond Anticipation Notes that was submitted two business days later than required under its continuing disclosure obligations.

AND

APPENDIX B

UNAUDITED FINANCIAL REPORTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025

►Click Here For 2025 AFR

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 8, 2026

NEW ISSUE – SERIAL BONDS
BOND ANTICIPATION NOTES

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

*The Town will **NOT** designate the Bonds or the Notes as "qualified tax-exempt obligations" pursuant to the provision of Section 265 of the Code.*

TOWN OF CORNWALL
ORANGE COUNTY, NEW YORK
(the "Town")

$370,000* PUBLIC IMPROVEMENT SERIAL BONDS - 2026
(the "Bonds")

BOND MATURITY SCHEDULE
(See Inside Front Cover)

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

$7,515,000 BOND ANTICIPATION NOTES – 2026 SERIES A
(the "Notes")

Dated Date: April 29, 2026 Maturity Date: April 29, 2027

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

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

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

For bonds and notes registered in the name of the purchaser, a single bond certificate shall be issued for each maturity and principal of and interest on such Bonds and Notes will be payable in Federal Funds by the Town, at such bank or trust company located and authorized to do business in the State of New York as selected by the successful bidder(s).

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

Sealed bids for the Bonds and the Notes will be received at 11:00 A.M. (Prevailing Time) on April 21, 2026, in accordance with the Notice of Sale dated April 6, 2026.

The Bonds and the Notes are offered subject to the final approving opinions of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel to the Town, and certain other respective conditions. It is expected that delivery of the Bonds and the Notes in book-entry form will be made through the facilities of DTC in New York, New York, or as otherwise agreed to by the Town and the Purchaser(s), on or about April 29, 2026 in New York, New York.

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

**Preliminary, subject to change.*

TOWN OF CORNWALL
ORANGE COUNTY, NEW YORK

$370,000* PUBLIC IMPROVEMENT SERIAL BONDS - 2026

BOND MATURITY SCHEDULE

Dated: April 29, 2026

Principal Due: April 15, 2027-2034, inclusive
Interest Due: Semiannually on April 15 and October 15 in each year to maturity commencing April 15, 2027

Year	Amount	Rate	Yield or Price	CUSIP #
2027	$75,000			
2028	75,000			
2029	65,000			
2030	35,000			
2031	35,000			
2032	35,000			
2033	25,000			
2034	25,000			

*Preliminary, subject to change.

TOWN OF CORNWALL
ORANGE COUNTY, NEW YORK

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183 Main Street
Cornwall, New York 12518
Telephone: (845) 534-3770
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TOWN BOARD

Joshua Wojehowski, Supervisor

Irwin Gold
Rokhsha Michael-Razi
Mary Heed
Timothy McCarty

Jennifer McCormick, Town Clerk
William A. Frank, Esq., Attorney for the Town

* * *

BOND COUNSEL

Hawkins Delafield & Wood LLP
New York, New York

* * *

MUNICIPAL ADVISOR

Municipal Finance Advisory Service

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

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

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

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OFFICIAL STATEMENT

TOWN OF CORNWALL
ORANGE COUNTY, NEW YORK

$370,000* PUBLIC IMPROVEMENT SERIAL BONDS - 2026
and
$7,515,000 BOND ANTICIPATION NOTES – 2026 SERIES A

This Official Statement and appendices thereto present certain information relating to the Town of Cornwall, in the State of New York (the "Town" and "State," respectively) in connection with the sale of $370,000* Public Improvement Serial Bonds - 2026 (the "Bonds") and $7,515,000 Bond Anticipation Notes – 2026 Series A (the "Notes").

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

THE BONDS

Description of the Bonds

The Bonds will be dated date of delivery, and will mature in the principal amounts on April 15, in each of the years 2027 to 2034, inclusive, as set forth on the inside cover page. Interest on the Bonds will be payable semi-annually on April 15 and October 15 in each year to maturity, commencing April 15, 2027.

At the option of the purchaser, the Bonds may be either (i) registered in the name of the purchaser or (ii) registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC") as book-entry bonds. For those Bonds registered in the name of Cede & Co., individual purchases of the Bonds may be made in denominations of $5,000 or integral multiples thereof. For Bonds issued as book-entry bonds through DTC, Bondholders will not receive certificates representing their respective interests in the Bonds purchased (See "*DESCRIPTION OF BOOK-ENTRY SYSTEM,*" herein).

The Record Date of the Bonds will be the business last day of the calendar month preceding each interest payment date.

The Town Clerk will act as Fiscal Agent for the Bonds. Paying agent fees, if any, will be paid by the purchaser. The Town's contact information is as follows: Joshua Wojehowski, Supervisor, Town of Cornwall, Town Hall, 183 Main Street, Cornwall, New York 12518, telephone number (845) 534-3770.

Optional Redemption

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

*Preliminary, subject to change.

Authorization and Purpose for the Bonds

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Town Law and the Local Finance Law, and various bond resolutions duly adopted by the Town Board of the Town on the dates set forth below for the following purposes:

Date Authorized	Purpose	Amount Outstanding	Amount to be Paid	Total Amount to be Issued
02/27/19	Acquisition of Highway Vehicles	$155,000	$40,000	$115,000
02/27/19	Improvements to Laurel Crest Park	70,000	10,000	60,000
02/27/19	Improvements to Bridge on Bridge Street	115,000	10,000	105,000
02/27/19	Acquisition of Packer Body for Sanitation	105,000	15,000	90,000
		$445,000	$75,000	$370,000

THE NOTES

Description of the Notes

The Notes will be dated April 29, 2026 and will mature, without right of redemption prior to maturity, on April 29, 2027, with interest payable at maturity.

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

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 such bank or trust company located and authorized to do business in the State of 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 book-entry Notes may be made in denominations of $5,000 or integral multiples thereof. 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 Town 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 "DESCRIPTION OF BOOK-ENTRY SYSTEM" herein.

The Town Clerk will act as Paying Agent for the Notes. Paying Agent fees, if any, shall be paid by the purchaser. The Town's contact information is as follows: Joshua Wojehowski, Supervisor, Town of Cornwall, Town Hall, 183 Main Street, Cornwall, New York 12518, telephone number (845) 534-3770.

Optional Redemption

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

Authorization and Purpose for the Notes

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Town Law and the Local Finance Law and various bond resolutions adopted by the Town Board on the dates referred to below. The projects that will be financed by the Notes are as follows:

Date Authorized	Purpose	Amount Outstanding	Amount to be Paid	Total Amount to be Issued
05/10/21	Acquisition of Highway Equipment	$ 450,000	$ 30,000	$ 420,000
05/10/21	Acquisition of Small Packer Truck	125,000	10,000	115,000
06/21/22	Replacement of Culvert on Continental Rd	765,000	40,000	725,000
02/14/23	Plans and Specs Hasbrouck Drainage	210,000	70,000	140,000
09/07/22	Improvements Sewer District #2	1,260,000	70,000	1,190,000
02/13/24	Drainage Improvements Hasbrouck	2,370,000	130,000	2,240,000
02/13/24	MS4 Mapping Town Roads	65,000	15,000	50,000
02/13/24	Improvements to Historic Structures	270,000	30,000	240,000
02/13/24	Sidewalk Improvements	270,000	30,000	240,000
02/14/23	Removal and Relocation of Water Line	360,000	20,000	340,000
02/14/23	Buildings and Grounds Equipment	50,000	5,000	45,000
02/14/23	Street Lighting Improvements	630,000	35,000	595,000
02/15/23	Acquisition of Highway Equipment	1,095,000	80,000	1,015,000
07/11/23	Jackson Ave. Culvert Improvements	90,000	10,000	80,000
07/11/23	Taylor Road Culvert Improvements	90,000	10,000	80,000
	Totals:	$8,100,000	$585,000	$7,515,000

DESCRIPTION OF BOOK-ENTRY SYSTEM

DTC will act as securities depository for any Bonds or Notes issued in book-entry form. Any book-entry Bonds or Notes will be issued as fully-registered securities, in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for each maturity of the Bonds and deposited with 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 is limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilities the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of certificates.

Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants") and together with Direct Participant, the ("Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

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

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

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

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

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

Principal and interest payments on any book-entry Bonds or 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 Town on the payable date, in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee) or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town, 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.

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

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

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

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

Certificated Bonds and the Notes

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

Nature of Obligation

Each Bond and Note when duly issued and paid for will constitute a contract between the Town and the holders thereof. The Bonds and Notes will be general obligations of the Town and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and the interest thereon. For the payment of such principal and interest, the Town has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the Town, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. (See "*Tax Levy Limit Law*", herein).

Under the Constitution of the State, the Town is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds and the Notes, and the State is specifically precluded from restricting the power of the Town to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, Chapter 97 of the New York Laws of 2011, as amended (the "Tax Levy Limit Law"), imposes a limitation upon the Town's power to increase its annual tax levy. As a result, the power of the Town to levy real estate taxes on all the taxable real property within the Town is subject to statutory limitations set forth in the Tax Levy Limit Law, unless the Town complies with certain procedural requirements to permit the Town to levy certain year-to-year increases in real property taxes. (See "*Tax Levy Limit Law*," herein).

RISK FACTORS

The following description summarizes some of the risks associated with an investment in the Bonds and the Notes and does not purport to be complete. The factors affecting the Town's financial condition described throughout this Official Statement are complex and are not intended to be summarized in any one section. This Official Statement should be read in its entirety.

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

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

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

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

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

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

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

REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

MUNICIPAL BANKRUPTCY

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

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

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

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

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

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

Financial Control Boards

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

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

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

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

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

No Past Due Debt

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

THE TOWN

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

General Information

The Town, with a land area of over 25 square miles and a currently estimated population of 12,755 according to the 2024 U.S. Census estimates, is located in east central Orange County, south of the Town of New Windsor on the west bank of the Hudson River about 60 miles north of New York City. The Town is primarily a suburban residential area with some commercial and industrial operations and some agriculture, the latter principally in the western portion.

Current residential development, in addition to garden apartment complexes, consists mainly of single family dwellings. Residents find employment opportunities in the in-Town industries; in Newburgh; at the United States Military Academy at West Point; in Beacon; in Fishkill; in Poughkeepsie (site of I.B.M. installations); in Middletown; and in Goshen (The County Seat) and Port Jervis.

The former Stewart Air Force Base (now Stewart International Airport) has grown into a major passenger airport for the mid-Hudson region and continues to serve as a military airfield as well. In the late 1990's it became the first US commercial airport to be privatized when National Express Group was awarded a 99 year lease on the airport. On January 25, 2007, the Port Authority of New York and New Jersey voted to acquire the lease and is responsible for updating its ten-year capital improvement plan to upgrade and enhance the airport. Some of the major airlines with terminals in the airport include Delta, US Airways, Express, Jet Blue and Allegient Air.

St. Luke's Cornwall Hospital ("SLCH") is a not-for-profit hospital serving the health care needs of those in the Hudson Valley. In January 2002, St. Luke's Hospital and the Cornwall Hospital merged to create an integrated health care delivery system, providing quality comprehensive health care services. SLCH has nearly 300 physicians on staff, representing dozens of medical specialties. Additionally, more than 1,500 clinical and support personnel work at the hospital, making it one of the largest employers in Orange County

Rail transportation is provided by the Conrail and Metro North railroads. The New York State Thruway traverses the Town, with access via the Newburgh exits, just north of New Windsor and Exit 16 in Woodbury. Other highways are U.S. Highway 9W, New York State Highways Nos. 32, 94 and 218.

Utilities and Other Services

Electricity and natural gas are supplied to the Town by the Central Hudson Gas and Electric Corporation. Water supply and distribution is primarily provided by the Village of Cornwall-on-Hudson. Sanitary sewer services are provided to about 75% of the Town residents through special assessment sewer districts. The Town is responsible for the financing, construction and maintenance of the facilities located within them. The balance of the Town utilizes septic systems. Police protection is provided by the Town Police Department, and fire protection is provided by Fire Districts which serve the entire Town.

Government

The Town was established in 1764. Subject to the provisions of the State Constitution, the Town operates pursuant to the Town Law, the Local Finance Law, other laws generally applicable to the Town, and any special laws generally applicable to the Town. Under such laws, there is no authority for the Town to have a charter, but pursuant to the Town Law and other laws generally applicable to home rule, the Town may from time to time adopt local laws.

The legislative power of the Town is vested in the Town Board, which consists of five members, including the Supervisor, who is the chief fiscal officer of the Town, elected for a term of two years. The four other members of the Town Board are elected to four-year terms, and such terms are staggered such that two councilmen are elected every two years. All the Town Board members are elected at large and there is no limitation to the number of terms each may serve.

The Town Clerk is elected to a two-year term. The Receiver of Taxes is elected to a four year term. The Town Board appoints the Assessor, the Attorney for the Town, the Town Engineer and Highway Superintendent.

Two independently governed school districts are located within the Town, which relies on their own taxing powers granted by the State to raise revenues. The school districts use the Town's assessment roll as its basis for taxation of property located within the Town.

Financial Organization

The Supervisor is the chief fiscal officer of the Town as well as the accounting officer, and his duties include administration, direction and control of budget and insurance, accounts payable and receivable and payroll. The Supervisor is also responsible for drafting and preparing the budget and securing and administering State and Federal grants.

Employees

The Town provides services through approximately 50 full-time employees and 76 part-time employees, some of which are represented by organized labor:

Name of Union	Number of Members	Contract Expiration Date
Civil Service Employees Association	25	12/31/2028
Patrolmen's Benevolent Association	14	12/31/2027

ECONOMIC AND DEMOGRAPHIC INFORMATION

Population Characteristics

The Town has had a population trend, as compared to the County and the State as indicated below:

Year	Town of Cornwall	County of Orange	State of New York
2000	12,307	341,367	18,976,457
2010	12,646	372,813	19,378,102
2020	12,437	382,077	19,514,849
2024	12,755	411,767	19,867,248

Source: U.S. Bureau of the Census.

Income Data

	Per Capita Money Income			
	2000	2010	2020	2024 [a]
Town of Cornwall	$28,509	$36,658	$48,469	$54,215
County of Orange	21,597	28,944	35,616	42,368
State of New York	23,389	30,791	40,898	51,002

	Median Family Income			
	2000	2010	2020	2024 [a]
Town of Cornwall	$59,237	$92,782	$124,714	$114,635
County of Orange	60,355	82,480	97,542	95,298
State of New York	51,691	67,405	87,270	85,820

Source: United States Bureau of the Census.
a. Based on American Community Survey 5-Year Estimates (2020-2024).

Selected Listing of Larger Employers in the County [a]

Name of Employer	Nature of Business	Approx. No. of Employees
United States Military Academy at West Point	Colleges & Technical Institutes	4,000
Garnet Health Medical Center	Healthcare	2,524
Orange County Government	Government	2,308
Crystal Run Health	Healthcare	2,050
Access: Supports for Living	Non-Profit Organizations	1,400
St Luke's Cornwall Hospital	Healthcare	1,247
Elant, Inc.	Healthcare	1,200
Amscan, Inc.	Manufacturing & Distribution	800
C & S Wholesale Grocers, Inc.	Distribution	800
Empire Blue Cross/Blue Shield	Service	795
Spectrum Enterprise	Communications	750
Bon Secours Community Hospital	Healthcare	598
Cornerstone Family Healthcare	Healthcare	550
Amscan, Inc.	Distribution	525
The ARC of Orange County	Non-Profit Organizations	525
Here's Help Staffing & Recruiting	Staffing Services	500
Horizon Family Medical Group	Healthcare	500
Kolmar Laboratories Inc	Manufacturing	500
Mirabito Energy Products	Distribution	500
Staples, Inc.	Distribution	460
Verla International LTD	Manufacturing	445
YRC Worldwide	Cargo & freight	435
Adecco	Service	400

Source: Orange County.
a. Not necessarily representative of the Town.

Unemployment Rate Statistics

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

Annual Averages:	County of Orange (%)	New York State (%)
2021	5.0	7.2
2022	3.2	4.4
2023	3.3	4.2
2024	3.6	4.3
2025	3.8	4.2

Source: Department of Labor, State of New York.

INDEBTEDNESS OF THE TOWN

Constitutional Requirements

The State Constitution limits the power of the Town (as well as other municipalities and school districts of the State) to issue obligations and contract indebtedness. Such constitutional limitations include the following, in summary form, and are generally applicable to the Town and the Bonds and the Notes:

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

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes, or to be paid in one of the two fiscal years immediately succeeding the fiscal year in which such indebtedness was contracted, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the periods of probable usefulness of the objects or purposes as determined by statute or in the alternative, the weighted average period of probable usefulness of the several objects or purposes for which such indebtedness is to be contracted; no installment may be more than fifty per centum in excess of the smallest prior installment, unless the Town has authorized the issuance of indebtedness having substantially level or declining annual debt service. The Town is required to provide an annual appropriation for the payment of interest due during the fiscal year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds, bond anticipation notes and capital notes.

General. The Town 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 Town 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 Town to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limit Law imposes a statutory limitation on the Town's power to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in the Tax Levy Limit Law. (See "*Tax Levy Limit Law*" herein).

Statutory Procedure

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

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

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution which, in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond and note resolution except for alleged constitutional violations. The Town has complied with such requirement with respect to the bond resolutions authorizing the issuance of the Bonds and the Notes.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds and 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 bonds and notes were originally issued. (See "*Payment and Maturity*" under "*Constitutional Requirements*" herein).

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

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

Debt Limit. The Town has the power to contract indebtedness for any Town purpose so long as the aggregate outstanding principal amount thereof shall not exceed seven per centum of the average full valuation of taxable real estate of the Town 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 Town by tax on real estate in any fiscal year to pay principal and interest on all indebtedness. However, the Tax Levy Limit Law imposes a statutory limitation on the power of the Town to increase its annual tax levy. The amount of such increases is limited by the formulas set forth in the Tax Levy Limit Law. (See "*Tax Levy Limit Law*," herein.)

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Computation of Debt Limit and Calculation of Net Debt Contracting Margin
(As of April 8, 2026)

Fiscal Year Ending December 31:	Assessed Valuation	State Equalization Rate (%)	Full Valuation
2021	$1,651,534,143	93.00	$1,775,843,165
2022	1,659,410,641	75.45	2,199,351,413
2023	1,655,916,963	67.45	2,455,028,855
2024	1,667,219,609	65.17	2,558,262,404
2025	1,678,488,688	63.22	2,654,996,343

Total Five-Year Full Valuation	$11,643,482,180
Average Five-Year Full Valuation	2,328,696,436
Debt Limit - 7% of Average Full Valuation	163,008,751
Inclusions:	
Outstanding Bonds:	
General Town Purposes	$8,755,000
Bond Anticipation Notes	21,245,000
Total Inclusions	30,000,000
Exclusions:	
Appropriations for Bonds	195,000
Appropriations for Notes	660,000
Total Exclusions:	855,000
Total Net Indebtedness Before Issuing the Notes	29,145,000
The Notes	7,515,000
The Bonds	370,000
Less: BANs Being Redeemed by the Notes	7,515,000
Less: BANs Being Redeemed by the Bonds	370,000
Net Effect of Issuing the Bonds and Notes	0
Total Net Indebtedness Before Issuing the Notes	29,145,000
Net Debt Contracting Margin	$133,863,751
Per Cent of Debt Contracting Margin Exhausted	17.88%

Debt Service Requirements - Outstanding Bonds [a]

Fiscal Year Ending December 31:	Principal	Interest	Total
2026	$ 346,007	$ 351,322	$ 697,329
2027	355,000	341,207	696,207
2028	350,000	330,978	680,978
2029	360,000	320,744	680,744
2030	360,000	310,182	670,182
2031	350,000	299,117	649,117
2032	365,000	287,654	652,654
2033	275,000	275,489	550,489
2034	280,000	266,067	546,067
2035	285,000	256,084	541,084
2036	290,000	245,397	535,397
2037	295,000	234,056	529,056
2038	305,000	222,135	527,135
2039	305,000	209,674	514,674
2040	315,000	196,848	511,848
2041	320,000	183,173	503,173
2042	330,000	169,175	499,175
2043	335,000	154,675	489,675
2044	345,000	139,733	484,733
2045	350,000	124,203	474,203
2046	360,000	108,256	468,256
2047	365,000	91,874	456,874
2048	370,000	75,245	445,245
2049	245,000	58,308	303,308
2050	255,000	45,876	300,876
2051	260,000	33,070	293,070
2052	265,000	20,016	285,016
2053	270,000	6,714	276,714
Total:	$8,906,007	$5,357,272	$14,263,279

a. Does not include payments made to date, the subsidies received from the Environmental Facilities Corporation (EFC) have not been deducted from the interest due on approximately $8.2 million in loans through EFC. Does not reflect payments made to date. See also "New York State Environmental Facilities Corporation" herein.

Details of Short-Term Indebtedness Outstanding
(As of April 8, 2026)

The Town has outstanding bond anticipation notes in the amount of $8,545,000 for various purposes and for road improvements, which mature on April 30, 2026 and will be redeemed by the Bonds, a portion of the Notes and available funds. (See *"Authorization and Purpose for the Bonds"* and *"Authorization and Purpose for the Notes*," herein). The Town also has bond anticipation notes outstanding in the amount of $12,700,000 for various Town improvements that mature on September 11, 2026.

New York State Environmental Facilities Corporation

The Town is in the process of completing improvements to Sewer District #1. The estimated cost for such projects is $13.5 million, $3.4 million of which is to be paid from a grant from New York State. The Town has applied to the New York State Environmental Facilities Corporation ("EFC") for financial assistance, grants and subsidized loans. In May of 2016, the Town entered into a Project Financing Agreement with the NYSEFC to finance such project and closed on short-term financing through EFC in February of 2019. The Town has requested disbursements for approximately $6.6 million to date and converted such amount to long term financing in the third quarter of 2023.

As of April 8, 2026 the Town has $8,070,000 outstanding bonds with EFC.

Capital Project Plans

The Town is generally responsible for providing services as required to the Town residents outside of the Village of Cornwall-on-Hudson. The Town maintains a Town road system necessitating road resurfacing and improvements and the acquisition of machinery and from time to time equipment. Additionally, although not a capital expense, such road system requires annual expenditures for snow removal as well as regular general operating maintenance expenses. The Town has planned investments in sewer and water infrastructure over the next several years. The plans focus on system upgrades, capacity expansion, sustainability and compliance with federal and state environmental regulations. In addition, the Town is regularly acquiring and improving recreation facilities. Except as noted below, needs for capital funding for the above described projects for which the Town has responsibility are anticipated to continue and to be in approximately the same amounts as have generally prevailed in the past.

Authorized but Unissued Indebtedness

Date of Authorization	Purpose	Amount	Issued to Date	Authorized But Unissued
09/07/22	Improvements to Sewer District No. 2 Jackson Avenue Culvert	7,210,000	1,400,000	5,810,000
07/11/23	Improvements	1,300,000	100,000	1,200,000
07/11/23	Firthcliffe Heights Sewer SS3	2,500,000	750,000	1,750,000
07/11/23	Beaver Dam Sewer SS4	3,500,000	750,000	2,750,000
05/29/25	Acquisition of Sanitation Equipment	300,000		300,000
	Totals:	$14,810,000	$3,000,000	$11,810,000

Trend of Town Indebtedness

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

	Fiscal Year Ending December 31:				
	2021	2022	2023	2024	2025
Bonds	$4,110,000	$3,660,000	$650,000	$790,000	$685,000
EFC	2,855,000	2,770,000	8,746,007	8,461,007	8,221,007
BANs	2,350,000	2,885,000	6,870,000	9,207,500	21,245,000
Total Debt Outstanding	$9,315,000	$9,315,000	$16,266,007	$18,458,507	$30,151,007

Calculation of Estimated Overlapping and Underlying Indebtedness

In addition to the Town, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the Town. The estimated applicable outstanding indebtedness of such political subdivisions is as follows:

Overlapping Units	Date of Report	Percentage Applicable (%)	Applicable Total Indebtedness	Applicable Net Indebtedness
County of Orange	08/05/2025	4.14	$ 8,559,302	$ 8,698,140
Village of Cornwall on the Hudson	02/28/2024	100.00	1,405,810	1,405,810
Cornwall CSD	12/10/2025	82.29	23,188,777	5,116,726
Washingtonville CSD	11/25/2025	0.73	275,356	89,805
Fire Districts (Est.)	Var.	Var.	1,789,200	1,789,200
Totals			$35,218,445	$17,099,681

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

Debt Ratios

(As of April 8, 2026)

	Amount	Per Capita[a]	Percentage of Full Value (%)[b]
Total Direct Debt	$30,000,000	$2,352	1.130
Net Direct Debt	16,545,000	1,297	0.623
Total Direct & Applicable Total Overlapping Debt	65,218,445	5,113	2.456
Net Direct & Applicable Net Overlapping Debt	33,644,681	2,638	1.267

a. The estimated population of the Town is 12,755.
b. The full valuation of taxable real property in the Town is $2,654,996,343.

FINANCES OF THE TOWN

Financial Statements and Accounting Procedures

The Town maintains its financial records in accordance with the Uniform System of Accounts for Towns prescribed by the State Comptroller. The financial records of the Town are audited by independent accountants. The last such audit made available for public inspection covers the fiscal year ended December 31, 2024, such report is attached as Appendix B. In addition, the financial affairs of the Town are subject to periodic compliance review by the Office of the State Comptroller to ascertain whether the Town has complied with the requirements of various State and Federal statutes.

Fund Structure and Accounts

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

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

The Town presently maintains the following governmental funds: General Fund, Highway Fund, Sanitation Fund, Sewer Funds, and the Water Fund. Fiduciary funds consist of a Trust and Agency Fund. There are no proprietary funds. Account groups are maintained for fixed assets and long-term debt.

Basis of Accounting

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within 365 days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, sanitary landfill post closure costs, installment purchases, judgments and claims, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Investment Policy

Pursuant to the statutes of the State of New York and its adopted Investment Policy, the Town is permitted to temporarily invest moneys which are not required for immediate expenditures, with the exception of moneys the investment of which is otherwise provided for by law, in the following investments: (1) special time deposit accounts in, or certificates of deposit issued by a bank or trust company located and authorized to do business in the State, provided however, that such time deposit account or certificate of deposit is payable within such time as the proceeds shall be needed to meet the expenditures for which such moneys were obtained and provided further that such time deposit account or certificate of deposit, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller in tax anticipation notes or revenue anticipation notes issued by any municipalities, school district, or district corporation, other than those notes issued by the Town; (6) certificates of participation issued by political subdivisions of the State, as those terms are defined in the law; (7) obligations of a New York public corporation which are made lawful investments for the Town pursuant to the enabling laws of such public corporation; or (8) in the case of moneys held in certain reserve funds established by the Town pursuant to law, in obligations of the Town. Any investments made by the Town pursuant to law are required to be payable or redeemable at the option of the Town within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable in any event, at the option of the owner, within two years of the date of purchase. These statutes also require that the Town's investments, unless registered or inscribed in the name of the Town, must be purchased through, delivered to and held in custody of a bank or trust company in the State. All such investments held in the custody of a bank or trust company must be held pursuant to a written custodial agreement as that term is defined in the law.

Collateral is required for demand deposit, money market accounts and certificates of deposit not covered by Federal deposit insurance and the eligible securities utilized for such collateral must be held by a third party financial institution, pursuant to security and custodial agreements. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of New York State and its municipalities and school districts.

The Town maintains a list of financial institutions and dealers approved for investment purposes and establishes appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the Town conducts business must be credit worthy. Banks are required to provide their most recent Consolidated Report of Condition (Call Report) at the request of the Town. Security dealers not affiliated with a bank are required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The chief fiscal officer is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such listing shall be evaluated at least annually.

The Town Supervisor is authorized to contract for the purpose of investments: (1) directly, including through a repurchase agreement, from an authorized trading partner, (2) by participation in a cooperative investment program with another authorized governmental entity pursuant to Article 5G of the General Municipal Law where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88-46, and the specific program has been authorized by the governing board; and (3) by utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board.

All purchased obligations, unless registered or inscribed in the name of the Town, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Town by the bank or trust company. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law, §10.

The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the Town, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to provide the Town a perfected interest in the securities.

Repurchase agreements are authorized subject to the following restrictions: (1) all repurchase agreements must be entered into subject to a Master Repurchase Agreement; (2) trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers; (3) obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America; (4) no substitution of securities will be allowed; and (5) the custodian shall be a party other than the trading partner.

Budgetary Procedures

The head of each administrative unit of the Town is required to file detailed estimates of revenues (other than real property taxes) and expenditures for the next fiscal year with the budget officer on or before August 15th. After reviewing these estimates, the budget officer prepares a tentative budget which includes his recommendations. A budget message explaining the main features of the budget is also prepared at this time. The tentative budget is filed with the Town Clerk not later than the 30th of September. Subsequently, the Town Clerk presents the tentative budget to the Town Board at the regular or special hearing which must be held on or before October 5th. The Town Board reviews the tentative budget and makes such changes as it deems necessary and that are not inconsistent with the provisions of the law. Following this review process, the tentative budget and such modifications, if any, as approved by the Board become the preliminary budget. A public hearing, notice of which must be duly published in the Town's official newspaper, on the preliminary budget is generally required to be held on the Thursday immediately following the general election. At such hearing, any person may express his opinion concerning the preliminary budget; however, there is no requirement or provision that the preliminary budget or any portion thereof be voted on by members of the public. After the public hearing, the Town Board may further change and revise the preliminary budget. The Town Board, by resolution, adopts the preliminary budget as submitted or amended no later than November 20th, at which time, the preliminary budget becomes the annual budget of the Town for the ensuing fiscal year. Budgetary control during the year is the responsibility of the Supervisor who is assisted in this area by the Town Comptroller. However, any changes or modifications to the annual budget including the transfer of appropriations among line items must be approved by resolution of the Town Board.

Budget Summaries for the 2025 and 2026 fiscal years may be found in Appendix A.

Financial Operations

The Supervisor functions as the chief fiscal officer as provided in Section 2 of the Local Finance Law; in this role, the Supervisor is responsible for the Town's accounting and financial reporting activities. Pursuant to Section 30 of the Local Finance Law, the Supervisor has been authorized to issue or renew certain specific types of notes. As required by law, the Supervisor must execute an authorizing certificate which then becomes a matter of public record.

The Town Board, as a whole, serves as the finance board of the Town and is responsible for authorizing, by resolution, all material financial transactions such as operating and capital budgets and bonded debt.

Town finances are operated primarily through the General and Special Revenue Funds. The General Fund receives most of its revenue from real property tax and State aid. Current operating expenditures are paid from these funds subject to available appropriations. The Special Revenue Funds are made up of the Town outside Village, Highway, Sewer, Sanitation, Lighting, Ambulance and Water Funds. The primary source of income for these districts comes from special assessments levied against district properties at the same time real estate taxes are levied. Capital projects and equipment purchases are accounted for in special capital projects funds. The Town observes a calendar year (January 1 through December 31) for operating and reporting purposes.

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 the State Comptroller designates the Town as "No Designation". (Fiscal Score: 6.7%; Environmental Score: 0.0%).

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

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 in August, 2014. The purpose of such audit was to review the Town's financial condition for the period January 1, 2011 through December 31, 2013. The complete report may be found on the State Comptroller's official website. Reference to this website implies no warranty of accuracy of information therein.

Revenues

The Town receives most of its revenues from a real property tax on all non-exempt property situated within the Town and from State Aid. A summary of such revenues for the five most recently completed fiscal years may be found in Appendix A. See "Real Property Tax Information", herein.

State Aid

Based on the audited financial statements of the Town, the Town received approximately 7.95% of its total General Fund operating revenue from State aid in 2024. There is no assurance, however, that State appropriations for aid to municipalities will continue, either pursuant to existing formulas or in any form whatsoever. The State is not constitutionally obligated to maintain or continue such aid and has the ability to reduce funding to municipalities and school districts in order to balance its own budget.

If the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Town, may be affected by a delay in the payment of State aid. Additionally, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Town, in this year or future years, the Town 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.

The following table sets forth the percentage of the Town's General Funds revenue (including transfers) comprised of State aid for each of the fiscal years 2021 through 2025.

Fiscal Year Ending December 31:	General Fund Total Revenue	State Aid	State Aid to Revenues (%)
2021	$6,705,776	$842,535	12.56
2022	6,028,533	1,094,641	18.16
2023	7,158,633	804,193	11.23
2024	7,156,963	569,254	7.95
2025 (Unaudited)	7,517,474	463,222	6.16
2026 (Budgeted)	8,915,425	372,000	4.17

Sources: Audited financial statements (2021-2024), Unaudited Annual Financial Report (2025).

Expenditures

The major categories of expenditures for the Town are General Government Support, Public Safety, Transportation, Economic Assistance and Opportunity, Home and Community Services, Culture and Recreation, Employee Benefits and Debt Service. A summary of the expenditures for the five most recently completed fiscal years may be found in Appendix A.

Pension Systems

Substantially all employees of the Town are members of the New York State and Local Employees' Retirement System (the "Retirement System" or "ERS") and the New York State and Local Police and Fire Retirement System (PFRS). The Retirement Systems are a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The Systems offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in the Retirement Systems are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems. The Retirement Systems are non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 must contribute three percent of their gross annual salary towards the costs of retirement programs until they attain ten years in the Retirement System, at such time contributions become voluntary. On December 10, 2009, the Governor signed into law the creation of a new Tier 5, which is effective for new ERS employees hired after January 1, 2010. New ERS employees in Tier 5 will now contribute 3% of their salaries. There is no provision for these contributions to cease for Tier 5 employees after a certain period of service. Additionally, on March 16, 2012, the Governor signed into law the new Tier 6 pension program, effective for new ERS and TRS employees hired after April 1, 2012. The Tier 6 legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. Tier 6 employees will vest in the system after ten years of employment and will continue to make employee contributions throughout employment.

As a result of significant capital market declines in the recent past, in certain years the State's Retirement System portfolio has experienced negative investment performance and severe downward trends in market earnings. As a result of the foregoing, it is anticipated that the employer contribution rate for the State's Retirement System in future years may be higher than the minimum contribution rate established under applicable law. Since 2010, various forms of legislation have been enacted to allow local governments and school districts the option of amortizing required contributions to the Retirement System. However, although these options reduce near term payments, it will require higher than normal contributions in later years. The Town has decided not to amortize any payments to the Retirement System.

Required Contributions to the Retirement Systems

Fiscal Year Ending December 31:	ERS	PFRS
2021	$345,217	$246,581
2022	294,095	316,132
2023	334,328	352,769
2024	389,800	396,300
2025 (Unaudited)	454,298	418,940

Sources: Town Officials.

Other Post Employment Benefits

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

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

During the year ended December 31, 2018, the Town adopted GASB 75, which supersedes and eliminates GASB 45. Under GASB 75, based on actuarial valuation, an annual required contribution ("ARC") will be determined for each state or local government. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. If a municipality contributes an amount less than the ARC, a net OPEB obligation will result, which is required to be recorded as a liability on its financial statements.

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

The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation:

Changes in the Total OPEB Liability	Fiscal Year Ending December 31, 2024:
Balance as of December 31, 2024	$15,384,407
Changes for the year:	
Service Cost	638,430
Interest	514,807
Changes of benefit terms	0
Differences between actual and expected experience	0
Changes in assumptions or other outputs	(1,900,701)
Benefit payments	(462,443)
Total Changes	($1,209,907)
Total OPEB liability as of December 31, 2025	$14,174,500

The Office of the New York State Comptroller 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 Town 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 Town has decided to continue funding the expenditure on a pay-as-you-go basis.

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

REAL PROPERTY TAX INFORMATION

Real Property Taxes

The Town derives a major portion of its revenues from a tax on real property (see "Statement of Revenues, Expenditures and Changes in Fund Balance" in Appendix A, herein.) Property taxes accounted for approximately 66.58% of total general fund revenues, for the fiscal year ended 2025. Based on the unaudited financial statements, on June 24, 2011, the Tax Levy Limit Law was enacted, which imposes a tax levy limitation upon the municipalities, school districts and fire districts in the State, including the Town, without providing an exclusion for debt service on obligations issued by municipalities and fire districts, including the Town. See "Tax Levy Limit Law," herein.

Tax Rates
(Per $1,000 Assessed Valuation)

	Fiscal Year Ending December 31:				
	2022	2023	2024	2025	2026
County	3.69%	3.63%	3.41%	3.29%	3.18%
General:					
Town-Wide	1.45	1.77	2.23	2.33	2.76
Part-Town	1.03	1.65	1.56	1.65	2.23
Highway	0.32	1.07	0.99	1.03	1.65
Special Districts (Selected Items):					
Cornwall Sewer	2.01	1.88	2.51	2.04	2.53
Canterbury Fire	1.06	1.08	1.07	1.08	1.13

The following table sets forth the percentage of the Town's General Fund revenue (excluding other financing sources) comprised of real property taxes for each of the fiscal years 2021 through 2025 inclusive and as budgeted for the fiscal year 2026.

Fiscal Year Ending December 31:	Total Revenue	Real Property Taxes	Real Property Taxes to Revenues (%)
2021	$6,705,776	$3,875,128	57.79
2022	6,028,533	2,891,341	47.96
2023	7,158,633	4,034,111	56.35
2024	7,156,963	4,654,862	65.04
2025 (Unaudited)	7,517,474	5,005,340	66.58
2026 (Budgeted)	8,915,425	4,813,125	53.99

Sources: Audited financial statements (2021-2024), Unaudited Annual Financial Report (2025), and the Adopted Budget (2026).

Tax Collection Procedure

The Town levies and collects all ad valorem and special assessment taxes and charges for general Town, highway, special district, and fire district purposes. The Town also collects County and School District property taxes.

Town tax bills, which include the County levy, are mailed on or about January 1 of each year, and may be paid without penalty or interest charge on or before January 31. Penalties for delinquent payment are imposed at the rate of 1% for bills paid in February, 1-1/2% for bills paid in March, and 2% for bills paid in April. Thereafter, all unpaid taxes and the penalties thereon must be paid to the County Treasurer, and an additional penalty of 5% is added thereto.

The Town permits the payment of its taxes on an installment basis, with equal installments due on or before January 15 and July 15, respectively. A 3% service charge is added to the tax bills of those taxpayers selecting the installment plan. In addition, a 1% interest charge is imposed for the first installment if paid after January 15 and on or before January 20; the installment option may not be exercised thereafter. After January 20, the tax bill is payable in full without interest or penalty if paid on or before January 31.

Pursuant to the Real Property Tax Law, the Town retains from the first tax collections an amount sufficient to satisfy the amounts levied for all Town purposes. The balance is then paid to the County Commissioner of Finance. In April, the Town files a report of uncollected taxes with the County Commissioner of Finance. In the event the Town does not collect sufficient amounts to satisfy all Town purposes, the County is permitted under the Local Finance Law to issue tax anticipation notes to provide funds to pay delinquent Town items to the Town.

School District taxes are billed in September and payable without penalty to September 30th. If paid during October a penalty of 3% is imposed thereon. After October 31st, unpaid School District taxes are returned to the County Treasurer and relevied on the County Tax Roll with a 7% penalty added.

The full amount of the Town tax levies are guaranteed by the County.

Tax Levy Limit Law

Prior to the enactment of Chapter 97 of the Laws of 2011 (the "Tax Levy Limit Law") on June 24, 2011, all the taxable real property within the Town had been subject to the levy of ad valorem taxes to pay the bonds and notes of the Town and interest thereon without limitation as to rate or amount. However, the Tax Levy Limit Law imposes a tax levy limitation upon the Town for any fiscal year commencing after May 31, 2012, without providing an exclusion for debt service on obligations issued by the Town. As a result, the power of the Town to levy real estate taxes on all the taxable real property within the Town is subject to statutory limitations, according to the formulas set forth in Tax Levy Limit Law.

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

The Tax Levy Limit Law imposes a limitation on increases in the real property tax levy of the Town, subject to certain exceptions. The Tax Levy Limit Law permits the Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor", which is the lesser of one and two one-hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by: (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, with the result expressed as a decimal to four places. The Tax Levy Limit Law also provides for adjustments to be made to the Town's tax levy based upon changes in the assessed value of the taxable real property in the Town. Additionally, the Town will be permitted to carry forward a certain portion of its unused tax levy capacity from the prior year. The Town is required to calculate its tax levy limit for the upcoming year in accordance with the provision described above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limit Law sets forth certain exclusions to the real property tax levy limitation of the Town, including exclusions for tort judgments payable by the Town. The governing board of the Town may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the governing board of the Town first enacts, by a vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

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

The 2016 through 2026 Budgets did not exceed the tax levy limitation.

Large Taxable Properties
2025 Assessment Roll [a]

Name	Type	Assessed Valuation
Idlewind Creek Apartments	Apartments	$21,850,000
Palisades Interstate Park Commission	State Lands	17,083,700
Central Hudson	Public Utility	16,546,595
Cornwall Apartments	Apartments	9,650,000
Vails Gate Business Center	Commercial	9,887,700
Canterbury Green Assoc. LLC 23-3-54	Apartments	7,182,900
Cornwall Owners Corp.	Co-Ops	6,000,000
Cornwall Shopping, LLC.	Commercial	4,980,000
CSX Transportation, Inc.	Transportation	5,643,885
Cornwall Medical Complex, LLC.	Medical Building	5,243,200
Bigg	Various	4,578,800
A&W Properties	Commercial	3,152,800
Cornwall Properties	Manufacturing	2,802,500
	Total [b]	$114,602,080

a. Assessment Roll established in 2024 for levy and collection of taxes in 2025.
b. Represents 6.83% of the 2025 Taxable Assessed Valuation of the Town.

LITIGATION

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

CYBERSECURITY

The Town, 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 Town 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 Town 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 Town digital networks and systems and the costs of remedying any such damage could be substantial.

There was one instance where an outside vendor's system was compromised. The wiring instructions for payment that was sent to the Town by the vendor was apparently and intercepted and contained incorrect account information. The amount due of $10,000 was sent by the Town and has not been recovered. As of the date of this Official Statement, the case is still under investigation. There is no evidence that the Town's systems were compromised.

TAX MATTERS

Opinion of Bond Counsel

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

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

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

Certain Ongoing Federal Tax Requirements and Certifications

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Bonds and the Notes in order that interest on the Bonds and the Notes be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Bonds and the Notes, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Bonds and the Notes to

become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The Town, in executing the Tax Certificate, will certify to the effect that the Town will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure the exclusion of interest on the Bonds and the Notes from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

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

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

Original Issue Discount

"Original issue discount" ("OID") is the excess of the sum of all amounts payable at the stated maturity of a Bond or Note (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the "issue price" of a maturity (a bond or note with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the Bonds or Notes. In general, the issue price for each maturity of Bonds and the Notes is expected to be the initial public offering price set forth in this Official Statement. Bond Counsel further is of the opinion that, for any Bonds and Notes having OID (a "Discount Obligation"), OID that has accrued and is properly allocable to the owners of the Discount Obligation under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Bonds and the Notes. In general, under Section 1288 of the Code, OID on a Discount Obligation accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Obligation. An owner's adjusted basis in a Discount Obligation is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Discount Obligation. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Obligation even though there will not be a corresponding cash payment.

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

Bond and Note Premium

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

Information Reporting and Backup Withholding

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

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

Miscellaneous

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

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

LEGAL MATTERS

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

DISCLOSURE UNDERTAKINGS

At the time of the delivery of the Bonds and the Notes, the Town will provide an executed copy of its Undertaking to Provide Notice of Events for the Notes and its Undertaking to Provide Continuing Disclosure for the Bonds substantially in the respective forms set forth in Appendix D.

The Town reserves the right to amend or modify the Undertakings 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.

Compliance History

The Town previously filed an event notice in 2024 related to its December 2023 Bond Anticipation Notes that was submitted two business days later than required under its continuing disclosure obligations.

RATING

The Bonds and the Notes are not rated.

MUNICIPAL ADVISOR

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

ADDITIONAL INFORMATION

Additional information may be obtained upon request from the office of Joshua Wojehowski, Supervisor, Town of Cornwall, Town Hall, 183 Main Street, Cornwall, New York 12518, telephone number 845/534-3770 or from the office of Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776, telephone number (631) 331-8888 and website: www.munistat.com.

Munistat Services, Inc. may place a copy of this Official Statement on its website at www.munistat.com. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Munistat Services, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the Town nor Munistat Services, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Munistat Services, Inc. and the Town 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 Town also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be, in fact, realized. This Official Statement is not to be construed as a contract or agreement between the Town and the original purchasers or owners of any of the Obligation.

The preparation and distribution of this Official Statement has been authorized by the resolutions of the Town which delegate to the Town Supervisor the power to sell and issue the Obligation.

TOWN OF CORNWALL, NEW YORK

By: s/s JOSHUA WOJEHOWSKI
Town Supervisor and Chief Fiscal Officer
Town of Cornwall
Cornwall, New York

April , 2026

APPENDIX A

FINANCIAL INFORMATION

Balance Sheet
General & Major Town Funds

	Fiscal Year Ending December 31, 2025				
	General Fund	Highway Fund	Water Fund	Sewer Fund	Sanitation Fund
Assets:					
Cash	$ 993,550	$ 620,414	$ 85,602	$ 577,446	$ 138,746
Accounts Receivable	358,030	291,218			360
Leases Receivable	66,977		21,833		
Due from Other Funds					
Investments	500,000	500,000			500,000
Total Assets	$ 1,918,557	$ 1,411,632	$ 107,435	$ 577,446	$ 639,106
Liabilities:					
Accounts Payable	$ 90,663	$ 53,382	$	$ 83,100	$ 78,718
Accrued Liabilities	80,105	45,810			17,846
Due to other funds					
Total Liabilities	170,768	99,192	0	83,100	96,564
Deferred Inflows	63,806				
Fund Balance:					
Restricted					
Assigned	1,073,660	1,312,440	107,435	494,348	542,541
Unassigned	610,323				
Total Fund Balance	1,683,983	1,312,440	107,435	494,348	542,541
Total Liabilities and Fund Balance	$ 1,918,557	$ 1,411,632	$ 107,435	$ 577,448	$ 639,105

Sources: Draft Annual Financial Report (2025)
NOTE: This Schedule is NOT audited

Balance Sheet
General & Major Town Funds

	Fiscal Year Ending December 31, 2024				
	General Fund	Highway Fund	Water Fund	Sewer Fund	Sanitation Fund
Assets:					
Cash	$ 2,425,834	$ 1,671,260	$ 120,657	$ 530,799	$ 578,511
Accounts Receivable	357,349	329,130	24,661		18,772
Leases Receivable	94,867				
Due from Other Funds					
Total Assets	$ 2,878,050	$ 2,000,390	$ 145,318	$ 530,799	$ 597,283
Liabilities:					
Accounts Payable	$ 557,688	$ 144,433	$	$ 80,219	$ 134,456
Accrued Liabilities	59,295	34,722			16,072
Due to Other Funds	92,665				
Unearned Revenues					
Total Liabilities	709,648	179,155	0	80,219	150,528
Fund Balance:					
Restricted					
Assigned		771,235	134,890	350,580	386,755
Unassigned	1,671,381	1,050,000	10,428	100,000	60,000
	497,021				
Total Fund Balance	2,168,402	1,821,235	145,318	450,580	446,755
Total Liabilities and Fund Balance	$ 2,878,050	$ 2,000,390	$ 145,318	$ 530,799	$ 597,283

Sources: Audited Financial Statements (2024)
NOTE: This Schedule is NOT audited

Statement of Revenues, Expenditures and Fund Balances
General Fund

	Fiscal Year Ending December 31:				
	2021	2022	2023	2024	2025
Revenues:					
Real Property Taxes	$ 3,875,128	$ 2,891,341	$ 4,034,111	$ 4,654,862	$ 5,005,340
Real Property Tax Items	15,904	28,500	15,378	19,048	20,190
Non-Property Tax Items	1,041,979	1,091,281	1,125,019	1,114,778	1,156,119
Departmental Income	495,313	538,343	840,808	480,800	310,395
Use of Money and Property	69,393	81,267	159,673	181,456	176,922
Licenses & Permits	9,599	8,319	8,654	7,398	9,604
Fines & Forfeitures	177,786	163,926	114,767	119,007	160,778
Sale of Property & Compensation for Loss	2,650	12,800	30,096	1,350	3,500
Miscellaneous	175,489	118,115	25,934	9,010	2,612
State & Federal Aid	842,535	1,094,641	804,193	569,254	672,014
Total Revenues	6,705,776	6,028,533	7,158,633	7,156,963	7,517,474
Expenditures:					
General Government Support	1,710,535	1,869,282	1,937,977	2,043,324	2,142,611
Public Safety	1,594,242	1,867,772	1,986,934	1,989,407	2,262,309
Health	152,769	312,304	342,577	352,875	482,740
Economic Assistance	25,671	26,843	44,846	42,710	59,922
Culture and Recreation	320,698	347,339	492,556	474,085	333,160
Home and Community Services	162,851	220,401	285,826	269,804	219,493
Employee Benefits	1,602,762	1,718,983	1,994,257	2,205,058	2,358,194
Debt Service	367,687	153,119	124,949	200,859	143,464
Total Expenditures	5,937,215	6,516,043	7,209,922	7,578,122	8,001,893
Other Financing Sources (Uses):					
Operating Transfers In				40,000	
Operating Transfers (Out)					
Total Other Financing Sources (Uses)				40,000	
Excess (Deficiency) of Revenues & Other Financing Sources Over Expenditures & Other Uses	768,561	(487,510)	(51,289)	(381,159)	(484,419)
Fund Balance Adjustments					-2
Fund Balance Beginning of Year	2,319,799	3,088,360	2,600,850	2,549,561	2,168,402
Fund Balance End of Year	$ 3,088,360	$ 2,600,850	$ 2,549,561	$ 2,168,402	$ 1,683,981

Sources: Audited Financial Statements (2021-2024), Draft Annual Financial Report (2025).
NOTE: This Schedule is NOT audited.

Statement of Revenues, Expenditures and Fund Balances
Highway Fund

	Fiscal Year Ending December 31:				
	2021	2022	2023	2024	2025
Revenues:					
Real Property Taxes	$ 1,359,998	$ 728,235	$ 1,543,315	$ 1,453,552	$ 1,450,325
Non-Property Tax Items	940,904	993,190	1,029,324	1,024,631	1,054,255
Intergovernmental Charges	64,092	64,746	13,736	68,016	69,978
Use of Money and Property	470	7,508	66,054	70,901	45,630
Sale of Property & Compensation for Loss	35,800	48,293	43,421	46,500	17,400
State & Federal Aid	109,372	535,598	373,358	238	214,359
Miscellaneous			3,473	452,856	238
Total Revenues	2,510,636	2,377,570	3,072,681	3,116,694	2,852,185
Expenditures:					
Transportation	1,341,784	1,895,667	1,694,276	1,873,117	1,940,034
General Governmental Support					1,733
Employee Benefits	541,486	564,595	623,891	652,185	649,190
Debt Service	378,396	379,172	346,038	511,474	770,025
Total Expenditures	2,261,666	2,839,434	2,664,205	3,036,776	3,360,982
Other Financing Sources (Uses):					
Operating Transfers In				25,000	
Operating Transfers (Out)					
Total Other Financing Sources (Uses)				25,000	
Excess (Deficiency) of Revenues & Other Financing Sources Over Expenditures & Other Uses	248,970	(461,864)	408,476	104,918	(508,797)
Fund Balance Adjustments					
Fund Balance Beginning of Year	1,520,735	1,769,705	1,307,841	1,716,317	1,821,235
Fund Balance Adjustments					2
Fund Balance End of Year	$ 1,769,705	$ 1,307,841	$ 1,716,317	$ 1,821,235	$ 1,312,440

Sources: Audited Financial Statements (2021-2024), draft Annual Financial Report (2025).
NOTE: This Schedule is NOT audited.

Statement of Revenues, Expenditures and Fund Balances
Water Fund

	Fiscal Year Ending December 31:				
	2021	2022	2023	2024	2025
Revenues:					
Real Property Taxes	$ 26,517	$	$ 7,195	$ 7,411	$
Departmental Income	144,882	114,826	104,816	117,683	104,186
Use of Money and Property	38	218	376	358	309
Miscellaneous					
Total Revenues	171,437	115,044	112,387	125,452	104,495
Expenditures:					
General Government Support					12
Home and Community Services	129,640	140,532	117,235	121,902	141,809
Employee Benefits	568	521	544	548	556
Debt Service	5,081				
Total Expenditures	135,289	141,053	117,779	122,450	142,377
Excess (Deficiency) of Revenues & Other Financing Sources Over Expenditures & Other Uses	36,148	(26,009)	(5,392)	3,002	(37,882)
Fund Balance Adjustments					
Fund Balance Beginning of Year	137,569	173,717	147,708	142,316	145,318
Fund Balance End of Year	$ 173,717	$ 147,708	$ 142,316	$ 145,318	$ 107,436

Sources: Audited Financial Statements (2021-2024), Draft Annual Financial Report (2025)
NOTE: This Schedule is NOT audited.

Statement of Revenues, Expenditures and Fund Balances
Sewer Fund

	Fiscal Year Ending December 31:				
	2021	2022	2023	2024	2025
Revenues:					
Real Property Taxes	$ 385,678	$ 393,492	$ 395,053	$ 549,001	$ 806,754
Real Property Tax Items	564,792	571,747	533,841	715,880	585,090
Departmental Income	263,843	258,805	268,697	274,530	316,215
Use of Money and Property	197	960	1,720	2,310	2,063
Licenses & Permits	15,550	13,200	8,600	10,250	10,500
Sale of Property and Comp. for Loss	32,265				
Interfund Transfers	50,000				
State and Federal Aid		50,000	88,000	50,000	
Miscellaneous			9,000	50,000	
Total Revenues	1,312,325	1,288,204	1,304,911	1,651,971	1,720,622
Expenditures:					
Home and Community Services	1,025,159	1,079,127	1,153,072	1,084,225	1,075,981
Employee Benefits	5,144	5,637	5,523		
Debt Service	201,624	204,955	207,666	640,126	600,876
Total Expenditures	1,231,927	1,289,719	1,366,261	1,724,351	1,676,857
Other Financing Sources (Uses):					
Operating Transfers In					
Operating Transfers (Out)					
Total Transfers					
Excess (Deficiency) of Revenues & Other Financing Sources Over Expenditures & Other Uses	80,398	(1,515)	(61,350)	(72,380)	43,765
Fund Balance Adjustments					3
Fund Balance Beginning of Year	505,427	585,825	584,310	522,960	450,580
Fund Balance End of Year	$ 585,825	$ 584,310	$ 522,960	$ 450,580	$ 494,348

Sources: Audited Financial Statements (2021-2024), Draft Annual Financial Report (2025)
NOTE: This Schedule is NOT audited.

Statement of Revenues, Expenditures and Fund Balances
Sanitation Fund

	Fiscal Year Ending December 31:				
	2021	2022	2023	2024	2025
Revenues:					
Real Property Taxes	$ 1,743,877	$ 1,745,719	$ 1,907,015	$ 2,101,178	$ 2,017,197
Use of Money and Property	225	4,222	24,570	41,427	28,588
Sale of Property & Compensation for Loss	762	690	17,566	6,240	8,667
Miscellaneous	5,000		1,672		
State and Federal Aid			48,796	8,133	
Total Revenues	1,749,864	1,750,631	1,999,619	2,156,978	2,054,452
Expenditures:					
General Government Support					943
Home and Community Services	1,172,369	1,276,480	1,385,003	1,423,424	1,447,024
Employee Benefits	391,042	382,259	425,368	457,591	454,819
Debt Service	107,027	113,508	99,591	86,112	55,878
Total Expenditures	1,670,438	1,772,247	1,909,962	1,967,127	1,958,664
Excess (Deficiency) of Revenues & Other Financing Sources Over Expenditures & Other Uses	79,426	(21,616)	89,657	189,851	95,788
Fund Balance Adjustments					(2)
Fund Balance Beginning of Year	109,437	188,863	167,247	256,904	446,755
Fund Balance End of Year	$ 188,863	$ 167,247	$ 256,904	$ 446,755	$ 542,541

Sources: Audited Financial Statements (2021-2024), Draft Annual Financial Report (2025)
NOTE: This Schedule is NOT audited.

Budget Summaries

Fund	Fiscal Year Ending December 31, 2026 Appropriatins & provisions for other uses	Less Extimated Revenues	Less Unexpended Balance	Amount to be Raised by Tax
General Fund - Townwide	$ 5,034,725	$ 888,000	$ 400,000	$ 3,746,725
General Fund - Town- Outside Village	4,097,700	1,273,500	300,000	2,524,200
Highway Fund-Townwide	506,890		100,000	406,890
Highway Fund-Town Outside Village	3,498,450	1,185,000	500,000	1,813,450
Fire District				0
Hydrants District	101,000			101,000
Lighting District	32,000		32,000	
Sanitation District	2,181,225	15,000	150,000	2,016,225
Drainage District	5,000		5,000	
Sewer District	1,885,100	281,300	50,000	1,553,800
Parking District				
Water District	142,262	125,000	10,000	
Totals	$ 17,484,352	$ 3,767,800	$ 1,547,000	$ 12,162,290

Source: Adopted Budget

Budget Summaries

Fund	Fiscal Year Ending December 31, 2025 Appropriatins & provisions for other uses	Less Extimated Revenues	Less Unexpended Balance	Amount to be Raised by Tax
General Fund - Townwide	$ 4,636,455	$ 870,500	$ 600,000	$ 3,165,955
General Fund - Town- Outside Village	3,742,885	1,323,500	580,000	1,839,385
Highway Fund-Townwide	446,092		150,000	296,092
Highway Fund-Town Outside Village	3,189,233	1,135,000	900,000	1,154,233
Fire District	1,376,868		60,000	1,316,868
Hydrants District	101,000			101,000
Lighting District	32,500		32,500	
Sanitation District	2,092,197	15,000	60,000	2,017,197
Drainage District	5,000		5,000	
Sewer District	1,748,144	256,300	100,000	1,391,844
Parking District				
Water District	140,428	130,000	10,428	
Totals	$ 17,510,802	$ 3,730,300	$ 2,497,928	$ 11,282,574

Source: Adopted Budget

TOWN OF CORNWALL

APPENDIX B

UNAUDITED FINANCIAL REPORTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025

►Click Here For 2025 AFR

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

APPENDIX C - 1

FORM OF BOND COUNSEL OPINION FOR THE BONDS

HAWKINS

HAWKINS DELAFIELD & WOOD LLP
140 BROADWAY, NEW YORK, NY 10005
(212) 820-9300 I HAWKINS.COM

_____, 2026

The Town Board of the
Town of Cornwall, in the
County of Orange, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Town of Cornwall (the "Town"), in the County of Orange, New York, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the $370,000 Public Improvement Serial Bonds-2026 (the "Bonds"), dated and delivered on the date hereof.

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

Concurrently with the issuance of the Bonds, the Town is issuing its $7,515,000 Bond Anticipation Notes-2026 Series A (the "Notes"). The Bonds are treated together with the Notes, as a single issue for federal tax purposes. We have served as Bond Counsel with respect to the issuance of the Notes and, on the date hereof, we have rendered our opinion with respect to the exclusion of interest on the Notes from gross income for federal income tax purposes in substantially the form of paragraph 2 below and subject to the same conditions and limitations set forth herein. Noncompliance with such conditions and limitations may cause interest on the Bonds and the Notes to become subject to federal income taxation retroactive to the date of issue, irrespective of the date on which such noncompliance occurs or is ascertained.

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

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

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

The Code establishes certain requirements which must be met subsequent to the issuance of the Bonds in order that the interest on the Bonds be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Bonds, restrictions on the investment of proceeds of the Bonds prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Bonds to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

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

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

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

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

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

Very truly yours,

APPENDIX C - 2

FORM OF BOND COUNSEL OPINION FOR THE NOTES

HAWKINS

HAWKINS DELAFIELD & WOOD LLP
140 BROADWAY, NEW YORK, NY 10005
(212) 820-9300 I HAWKINS.COM

_____, 2026

The Town Board of the
Town of Cornwall, in the
County of Orange, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Town of Cornwall (the "Town"), in the County of Orange, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the $7,515,000 Bond Anticipation Note-2026 (the "Note") of the Town, dated and delivered on the date hereof.

Concurrently with the issuance of the Note, the Town is issuing its $370,000 Public Improvement Serial Bond-2026 (the "Bonds"). The Bonds are treated, together with the Note, as a single issue for federal tax purposes. We have served as Bond Counsel with respect to the issuance of the Bonds and, on the date hereof, we have rendered our opinion with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes in substantially the form of paragraph 2 below and subject to the same conditions and limitations set forth herein. Noncompliance with such conditions and limitations may cause interest on both the Bonds and the Note to become subject to federal income taxation retroactive to the date of issue, irrespective of the date on which such noncompliance occurs or is ascertained.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof. Based upon and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

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

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax representations described herein, (i) interest on the Note is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Note is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Note is

included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

The Code establishes certain requirements that must be met subsequent to the issuance of the Note in order that the interest on the Note be and remain excludable from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Note, restrictions on the investment of proceeds of the Note prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Note to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

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

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

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

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

We give no assurances as to the accuracy, sufficiency or completeness of the Preliminary or Final Official Statement relating to the Note or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the Town which have been or may hereafter be furnished or disclosed to purchasers of said Note.

Very truly yours,

APPENDIX D - 1

FORM OF CONTINUING DISCLOSURE UNDERTAKINGS FOR THE BONDS

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

Section 1. Definitions

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

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

"Financial Obligation" shall mean "financial obligation" as such term is defined in the Rule.

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

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

"Issuer" shall mean the **Town of Cornwall,** in the County of Orange, a municipal corporation of the State of New York.

"MSRB" shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Agreement.

"Purchaser" shall mean the financial institution referred to in the Certificate of Award, executed by the Supervisor as of April 21, 2026.

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

"Securities" shall mean the Issuer's **$370,000 Public Improvement Serial Bonds-2026**, dated April 29, 2026, maturing in various principal amounts on April 15 in each of the years 2027 to 2034, inclusive, and delivered on the date hereof.

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

(i) (A) no later than six (6) months after the end of each fiscal year, commencing with the fiscal year ending December 31, 2025, the Annual Information relating to such fiscal year, and (B) no later than six (6) months after the end of each fiscal year, commencing with the fiscal year ending December 31, 2025, the audited financial statements of the Issuer for each fiscal year, if audited financial statements are prepared by the Issuer and

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

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

(1) principal and interest payment delinquencies;

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

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

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

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

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

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

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

(9) defeasances;

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

(11) rating changes;

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

Note to clause (12): For the purposes of the event identified in clause (12) above, the event is considered to occur when any of the following

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

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

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

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

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

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

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

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

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

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

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

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

Section 5. Remedies. If the Issuer shall fail to comply with any provision of this Undertaking, then any Holder of Securities may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Undertaking against the Issuer and any of the officers, agents and employees of the Issuer, and may compel the Issuer or any such officers, agents or employees to perform and carry out their duties under this Undertaking; provided that the sole and exclusive remedy for breach of this Undertaking shall be an action to compel specific performance of the obligations of the Issuer hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances. Failure to comply with any provision of this Undertaking shall not constitute an event of default on the Securities.

Section 6. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with paragraph (b)(5) of the Rule and is delivered for the benefit of the Holders. No other person shall have any right to enforce the provisions hereof or any other rights hereunder.

Section 7. Amendments. Without the consent of any holders of Securities, the Issuer at any time and from time to time may enter into any amendments or changes to this Undertaking for any of the following purposes:

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

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

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

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

(e) to modify the contents, presentation and format of the Annual Information from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the Issuer or to reflect changes in the identity, nature or status of the Issuer or in the business, structure or operations of the Issuer or any mergers, consolidations, acquisitions or dispositions made by or affecting any such person; provided that any such modifications shall comply with the requirements of Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such modification; or

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

provided that no such action pursuant to this Section 7 shall adversely affect the interests of the Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

Section 8. Termination. This Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Securities shall have been paid in full or the Securities shall have otherwise been paid or legally defeased pursuant to their terms. Upon any such legal defeasance, the Issuer shall provide notice of such defeasance to the EMMA System. Such notice shall state whether the Securities have been defeased to maturity or to redemption and the timing of such maturity or redemption.

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

Section 9. Undertaking to Constitute Written Agreement or Contract. This Undertaking shall constitute the written agreement or contract for the benefit of Holders of Securities, as contemplated under Rule 15c2-12.

Section 10. Governing Law. This Undertaking shall be governed by the laws of the State of New York determined without regard to principles of conflict of law.

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of April 29, 2026.

TOWN OF CORNWALL

By_____
Supervisor and Chief Fiscal Officer

APPENDIX D - 2

FORM OF CONTINUING DISCLOSURE UNDERTAKINGS FOR THE NOTES

UNDERTAKING TO PROVIDE NOTICES OF EVENTS

Section 1. Definitions

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

"Financial Obligation" shall mean "financial obligation" as such term is defined in the Rule.

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

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

"Issuer" shall mean Town of Cornwall, in the County of Orange, a municipal corporation of the State of New York.

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

"Purchaser" shall mean the financial institution referred to in the Certificate of Determination, executed by the Supervisor as of April 29, 2026.

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

"Securities" shall mean the Issuer's $7,515,000 Bond Anticipation Note-2026, dated April 29, 2026, maturing on April 29, 2027, and delivered on the date hereof.

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

(1) principal and interest payment delinquencies;

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

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

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

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

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

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

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

(9) defeasances;

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

(11) rating changes;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of April 29, 2026.

TOWN OF CORNWALL, NEW YORK

By_____
Supervisor