

PRELIMINARY OFFICIAL STATEMENT DATED JULY 7, 2026

RENEWALS

BOND ANTICIPATION NOTES

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

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

TOWN OF OSSINING WESTCHESTER COUNTY, NEW YORK (the "Town")

\$3,569,826

BOND ANTICIPATION NOTES, 2026 (RENEWALS)

Dated Date: July 29, 2026

Maturity Date: July 29, 2027

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

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

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

Form and Denomination: The Notes to be issued in book-entry form will be issued as registered notes, and, when issued, will be registered in the name of Cede & Co. as nominee, which will act as the securities depository for the Notes. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Individual purchases of the Notes to be issued in book-entry form may be made only in book-entry form in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination, which is or includes \$9,826. Noteholders will not receive certificates representing their ownership interest in the Notes to be issued in book-entry form purchased. See "Book-Entry System" herein.

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

Proposals for the Notes will be received at 11:00 A.M. (Prevailing Time) on July 15, 2026 at the office of Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776.

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of an approving legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, of New York, New York. It is anticipated that the Notes will be available for delivery at the location of DTC in Jersey City, New Jersey or such other place as may be agreed upon with the purchaser(s) on or about July 29, 2026.

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



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* * *

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* * *

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No person has been authorized by the Town of Ossining to give any information or to make any representations not contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, any of the Notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town of Ossining since the date hereof.

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OFFICIAL STATEMENT

Relating to

TOWN OF OSSINING WESTCHESTER COUNTY, NEW YORK

\$3,569,826

BOND ANTICIPATION NOTES, 2026 (RENEWALS)

This Official Statement, including the cover page and appendices thereto, has been prepared by the Town of Ossining, Westchester County, New York (the "Town") and presents certain information relating to the Town's \$3,569,826 Bond Anticipation Notes, 2026 (Renewals) (the "Notes"). All quotations from and summaries and explanations of provisions of the Constitution and laws of the State of New York (the "State") and acts and proceedings of the 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 Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Notes and such proceedings.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State of New York (the "State") and acts and proceedings of the 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 Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Notes and such proceedings.

THE NOTES

Description of the Notes

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

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

For those Notes registered to the purchaser(s), a single note certificate shall be delivered to the purchaser(s), for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in lawful money of the United States of America (Federal Funds) at the office of the Town Clerk in Ossining, New York.

For those Notes issued as book-entry notes registered to Cede & Co., DTC will act as securities depository for the Notes and owners will not receive certificates representing their respective interests in the Notes. Individual purchases of such registered Notes may be made in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination, which is or includes \$9,826. 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 "Book-Entry System" herein.

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

Optional Redemption

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

Book-Entry System

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

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

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

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

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

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

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

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

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

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

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

Source: The Depository Trust Company

Disclosure Undertaking

This Official Statement is in a form "deemed final" by the Town for the purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). At the time of the delivery of the Notes, the Town will provide an executed copy of its "Material Event Notices Certificate" (the "Undertaking"). Said Undertaking will constitute a written agreement or contract of the Town for the benefit of holders of and owners of beneficial interests in the Notes, to provide, or cause to be provided, to the Electronic Municipal Market Access ("EMMA") System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto, timely notice not in excess of ten (10) business days after the occurrence of any of the following events with respect to the Notes:

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

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

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

With respect to event (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Town 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 Town, 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 Town.

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

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

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

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

Authorization and Purpose

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

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount Outstanding</u>	<u>Amount to be Paid</u>	<u>Amount to be Issued</u>
01/22/2019	Acquisition of Trucks	\$42,910	\$42,910	\$0
07/23/2019	Sewer Lift Generators	42,606	6,667	35,939
07/14/2020	Sewer Lift Generators McCarthy Drive Road	53,490	9,607	43,883
01/26/2021	Improvements	1,442,666	156,667	1,285,999
05/24/2022	Ballfield Fencing at Ryder Park	334,960	28,000	306,960
05/24/2022	Purchase of Trucks	751,045	67,334	683,711
05/28/2024	Street Paving	1,306,667	93,333	1,213,334
	Totals:	<u>\$3,974,344</u>	<u>\$404,518</u>	<u>\$3,569,826</u>

Nature of Obligation

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

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

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

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

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

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

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

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

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

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

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

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

Tax Levy Limitation Law

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

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

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

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors’ Provision

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

Execution/Attachment of Municipal Property

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

Authority to File For Municipal Bankruptcy

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

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

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

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

State Debt Moratorium Law

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

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

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature, as described below, authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the Town.

Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law. The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an "emergency financial control board" for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such municipality (or by its emergency financial control board in the event said board

requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law ("Title 6-A") effectively prohibits the doing of any act for ninety days in the payment of claims, against the municipality including payment of debt service on outstanding indebtedness.

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

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

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

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

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

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

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

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

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

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

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

Constitutional Non-Appropriation Provision

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

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

Default Litigation

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

No Past Due Debt

No principal of or interest on Town indebtedness is past due. The Town has never defaulted in the payment of the principal of and interest on any indebtedness to the best knowledge of the Towns officials.

THE TOWN

The Town encompasses approximately 12 square miles and is located in the west central part of the County. Manhattan is about 35 miles south of the Town. The Hudson River forms the western boundary of the Town. The Village of Ossining is located wholly within the Town; a large portion (91%) of the Village of Briarcliff Manor is located in the Town. The Town is a suburban community and is primarily residential in nature. The Village of Ossining is well developed and contains most of the Town's commercial base.

According to interim 2024 data from the U.S. Census Bureau, the Town's population is 39,276 which represents an increase of 1,998 persons or 4.88% since the 2010 census. Indicators of wealth based on income and home values generally exceed both County and State averages in the unincorporated and Briarcliff Manor areas of the Town. Income and housing values in the Village of Ossining are higher than State averages but generally are below the overall County averages. The State Correctional Facility at Ossining, which employs approximately 1,000 full and part-time persons, is the largest employer in Town. Many residents commute to jobs in New York City or to other areas within the region. See "Economic and Demographic Data," herein.

Governmental Organization

The Town was established in 1845 by the State as a separate political entity vested with independent taxing and debt authority. There are two incorporated villages situated within the Town's borders. The Town also contains portions of two independently governed school districts which rely on their taxing powers granted by the State to raise revenues for school district purposes. The villages and school districts use the Town's assessment roll as the basis for taxation of property within the Town.

Governmental operations of the Town are subject to the provisions of the State constitution and various statutes affecting local governments including the Town Law, General Municipal Law and the Local Finance Law. Real property assessment and tax collection procedures are determined by the County Tax Code, a basic feature of which requires that the Town guarantee and enforce the real property taxes levied by the County as well as school districts situated in the Town. The Real Property Tax Law, in part, also governs certain assessment and taxing procedures for the Town. Under Article 2 of the Town Law, the Town of Ossining is classified as a first-class town and has additionally elected suburban town status provided for in Article 3-A of this statute. The primary effect of these classifications is to give greater flexibility to the way in which town government is organized and managed. A suburban town also enjoys certain advantages with respect to improving districts and reserve funds.

Financial Organization and Budgetary Procedures

The Town Board is the legislative, appropriating, governing and policy determining body of the Town and consists of four Board Members, elected at large to serve a four-year term, plus the Supervisor. Board Members may serve an unlimited number of terms. It is the responsibility of the Town Board to enact, by resolution, all legislation including ordinances and local laws. Annual operating budgets for the Town must be approved by the Board; modifications and transfers between budgetary appropriations also must be authorized by the Board on the recommendation of the Supervisor. The original issuance of all town indebtedness is subject to approval by the Town Board.

The Supervisor is the Chief Executive and Chief Financial Officer of the Town and is elected for a two-year term of office with the right of self succession. In addition, the Supervisor is a full member of and the presiding officer of the Town Board. Duties of the Supervisor include: the administration of the Town's daily functions, budget preparation and control, and debt issuance.

The Town Clerk who is elected to serve a four-year term, with the right of self succession, acts as the custodian of the Town's records as well as the clerk to the Town Board. Duties of the Town Clerk include: recording and maintaining the minutes of the proceedings of the Town Board, issuing certain licenses and permits, and coordinating Town elections.

The Receiver of Taxes is elected to a four-year term. The number of terms is not limited. It is the responsibility of the Receiver of Taxes to receive and collect all county, town, school taxes and assessments levied in the Town.

Pursuant to an intermunicipal agreement, the Town Comptroller duties are performed by the Village of Ossining. Duties and responsibilities of this position include: maintaining the Town's accounting systems and records, preparing the annual report to be filed with the State Comptroller, cash management and auditing vendor claims for payment.

The Town Assessor is appointed by the Town Board, on the Supervisor's recommendation, to serve a six-year term. It is the Assessor's responsibility to appraise real property in the Town for the purpose of preparing and maintaining tax assessment rolls in the form prescribed by the State Office of Real Property Tax Services (the "ORPTS"). The ORPTS provides an advisory service to assist with the assessment of certain forested lands, public utilities or unusually complex properties. Assessment review procedures include examination of the tentative assessment roll in the Assessor's presence, a public hearing before an independent board of assessment review and, finally, a judicial review in the State Supreme Court or small claims court for certain tax claim proceedings.

The Town Supervisor prepares an annual budget estimate for the ensuing fiscal year and submits it to the Town Board for consideration. The Town Board makes any changes deemed appropriate. Additional changes (if any) are made and the budget is adopted. The budget is not subject to referendum and must comply with the Tax Levy Limit Law.

Services

The Town provides its citizens with an extensive list of government services. Residents of the unincorporated areas of the Town benefit from all services; village residents receive some services but are served primarily by their respective village governments. Sewer, street lighting, fire protection and ambulance services are furnished by various special districts which have been formed within the Town. Water service is provided to residents of unincorporated area of the Town by the Village of Ossining. The construction and the maintenance of streets and roads outside the villages is also a Town function. In addition, recreation is provided and parks are maintained by the Town. Other services performed at the Town level include: police protection (through an inter-municipal agreement with Village of Ossining, effective as of January 1, 2015), justice courts, zoning, planning and refuse collection.

The Town is a member of the County Refuse District No. 1 (the "District") and according to an agreement between the District and the Westchester Industrial Development Agency, participating District members are committed to deliver municipally generated refuse to a solid waste disposal/resource recovery plant located in the City of Peekskill. The plant is operated by Wheelabrator Technologies, Inc. Residential solid waste is collected by the various municipalities (Town and villages) for delivery to a district operated transfer station and the ultimate removal to the recovery plant. Beginning on October 22, 2025, each member municipality paid a tipping fee of \$46.36. (which was increased from \$35.43 on October 22, 2024) per ton for solid, non-organic refuse. A charge of \$44.83 per ton from April 1, 2026 to March 31, 2027 was imposed for organic waste through an inter-municipal agreement with the Village of Ossining. The District taxpayers are subject to an ad valorem tax if such fee is not sufficient to meet the District's obligations to the County Industrial Development Agency. For 2026, the tax rate for the District is \$0.5545 for each \$1,000 of assessed valuation.

Public primary and secondary education is provided by the Ossining and Briarcliff School Districts which are independent of the Town and have separate taxing and debt issuance authority.

Pursuant to State law, the County funds and provides various social service and health care programs such as Medicaid, aid to the families with dependent children, home relief and mental health programs. The County provides sewage treatment through various County sewer districts. In addition, the County sponsors a two-year college which offers associates' degrees in various fields of study.

Education

Public schools in the Town are under the administration of two independent school districts which levy taxes for their operations. Additionally, Northern Westchester-Putnam BOCES is available to students in the Town. Several private schools also provide primary and secondary education. Higher education facilities include Fordham University in Tarrytown, Mercy College in Dobbs Ferry and Pace University in Pleasantville and White Plains.

Utilities

Verizon provides various communication services in the Town. Consolidated Edison Company provides electricity and natural gas service to residents of the Town. The Town has entered into an agreement with the Power Authority of the State of New York (PASNY) for the supply of electricity to its municipal facilities.

Residents in the unincorporated area of the Town purchase water from the Village of Ossining which maintains the water lines. The Town maintains a sewer collection system which discharges into several sewage treatment plants operated by the County.

Transportation

The Town is served by all major forms of transportation. Highway facilities include U.S. routes 9 and 9A and State routes 133 and 134. The Taconic State Parkway runs just east of the Town and Interstate 287 lies just south of the Town. Rail service is provided by the Metro-North Hudson Railroad that travels north-south through the Town along the Hudson River. The County Department of Transportation provides bus service to residents of the Town. The County Airport, the New York airports (LaGuardia, Kennedy and Newark Airports) and Stewart International Airport in Newburgh are easily accessible to residents of the Town and provide domestic and international air service on a regular basis.

Culture and Recreation

The Town maintains a system of six parks with a total of 130 acres. A variety of organized and self-directed activities are available at these parks. The Town operates a Senior Services Program providing nutrition, fitness, transportation, and social services to the Town's elderly population. The Village of Ossining operates a community center whose pool and recreation facilities are available to Town residents. Programs are offered throughout the year at the center for pre-school age children, youths and senior citizens. The County operates an extensive system of parks and golf courses which are available to Town residents. In addition, the State operates a large park in the Town at Cortlandt just north of the Town.

Employees

The Town provides services through approximately 41 full-time employees. Union representation of full time employees is as follows:

<u>Name of Union</u>	<u>Expiration Date of Contract</u>	<u>Approx. No. of Members</u>
Civil Service Employees Association	12/31/2026	19
Teamsters	12/31/2028	14

Selected Wealth and Income Indicators

	<u>Per Capita Money Income</u>			
	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2024</u>
Town	\$34,195	\$43,721	\$54,888	\$64,623
County of Westchester	36,726	47,814	57,953	73,435
State of New York	23,389	30,948	40,898	51,002

	<u>Median Household Income</u>			
	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2024</u>
Town	\$65,485	\$85,749	\$105,189	\$125,539
County of Westchester	63,582	79,619	99,489	118,596
State of New York	43,393	55,603	71,117	85,820

Source: United States Bureau of the Census

Average Employed Civilian Labor Force

	Average Employed Civilian Labor Force			
	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2023</u>
Town	17,600	18,100	18,989	20,075
County of Westchester	445,400	443,500	485,843	521,233
State of New York	8,718,700	8,769,700	9,611,029	9,376,667

Population

<u>Year</u>	<u>Town of Ossining</u>	<u>County of Westchester</u>	<u>State of New York</u>
2000	36,534	923,459	18,976,457
2010	37,319	938,406	19,229,752
2020	37,651	968,738	19,514,849
2024	39,276	1,006,447	19,867,248

Source: United States Bureau of the Census

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Major Construction Projects – Town Outside Villages 2003-2026

<u>Developer's Name</u>	<u>Street Address</u>	<u>Size of Project</u>	<u># of Units</u>	<u>Square Footage</u>	<u>Stage of Project</u>	<u>Estimated Cost of Construction</u>
Mystic Point	Mystic Drive Waterview Drive, Applegate Way, Kelly	46 Ac. T&V	Condos 34 Town, 134 Village	75,000	34 Complete	\$3,800,000
Waterview Est.	Court	52 Ac.	61 Single Family Homes	80,000	58 Complete	5,500,000
Perryco Const	Wyche Way	9 Ac.	10 Single Family Homes	30,000	10 Complete	2,000,000
Antonio Velardo	Gualitiere Lane	3.5 Ac.	5 Single Family Homes	21,000	5 Complete	1,500,000
Luciano Velardo	Roosa Lane	5.73 Ac.	10 Single Family Homes	32,000	9 Complete	2,000,000
Briar Oaks, LLC.	Chappaqua Road	2.0 Ac.	12 Condo Units	15,660	12 Complete	2,000,000
Valhalla Views, LLC.	Hawkes Avenue	4.48 Ac.	16 Single Family Homes Cluster	48,000	Complete Phase I & II	2,880,000
General Electric	Shady Lane Farm Road	25 Ac.	Site Plan Amendment		Complete	34,452,230
Zappico Construction	North State Road	1 Ac.	12 Condo Units	20,000	Complete	2,000,000
Rayford Daverne	Old Albany Post Rd.	.39 Ac	2 Single Family Homes	3,600	2 Complete	600,000
Zappico Construction	Morningside Drive	28.33 Ac.	23 Single Family Homes Cluster	60,000	Expired New Home	3,600,000
Butler Subdivision	Hillcrest Drive	2.72 Ac.	1 New	3,500	Started	350,000
Artis Senior Living	North State Road	1.5 Ac.	64 Bed Facility	35,500	Complete	5,325,000
River Knoll	40 Croton Dam Rd.	16.20 Ac.	188 Apartments	176,000	Current on Planning Bd.	35,200,000
Parth Knolls LLC	87 Hawkes Ave.	5.53 Ac.	53 Apartments	32,000	Complete	7,000,000
Bethany Arts	40 Somerstown Rd.	24.90 Ac.	Site Plan		Complete	1,000,000
Rinaldi Subdivision	39 Stormytown Rd.	6.63 Ac.	9 Lot Subdivision		Approved not built	2,250,000
The Learning Experience	North State Road	1.0 Ac.	Complete	10,000	Complete	2,500,000
SPCA of West.	North State Road	4.0 Ac.	Complete	27,121	Complete	6,780,250
MGM Subdivision	Hawkes Ave.	2.15 Ac.	2 Lot Subdivision	6,000	Approved not finalized	600,000
Santucci Schemmer	Croton Dam Road	2.0 Ac.	2 New Lots	6,000	2 Building Permits	700,000
Village of Ossining	Reservior Road	2.95 Ac.	New Treatment Facility	28,495	Building Permit Open	105,729,040
Marrico	125 Morningside Dr.	2.45 Ac.	New Single-Family	2,130	Complete	300,000
Bruce Fiorito	39 Old Albany Post	.25 Ac.	New 2 Family	2,670	Complete	300,000
Sunrise Solar	584 N. State Rd.	11.11 Ac.	New Solar Roof		Complete	1,411,933
Polzella	3 Waterview Dr.	.35 Ac.	New Single-Family		Complete	200,000
Ecogy Energy	75 Ryder Road		New Solar Canopy		Complete	1,800,000
Borrego Solar	381 N. Highland		Battery Storage		Complete	
Picucci	51 Croton Dam Rd		1 Lot Subdivision		Complete	500,000
Welcome Homes	68 Somerstown Rd.		New Single-Family		Complete	900,000
Capasso	34 McCarthy Dr.		New Signle Family		Complete	500,000
Calanedrello	111 Narragansett		New Signle Family		Building Permit Open	210,000
Smith-Couti	94 Somerstown Rd.		3 lot subdivision		Approved by Planning Board	2,500,000
						<u><u>\$236,388,453</u></u>

Housing Stock

	<u>2000</u>	<u>2010</u>	<u>2020</u> ^a
Town	\$ 12,733	\$ 13,386	\$ 14,975
County of Westchester	349,445	370,821	388,963
State of New York	7,679,307	8,108,103	8,488,066

Median Housing Values and Rents (2023)

	<u>Median Housing Values and Rents (2023)</u>	
	<u>Median Value (Owner Occupied)</u>	<u>Median Rent (Renter Occupied)</u>
Town	\$444,200	\$2,134
County of Westchester	638,400	1,876
State of New York	403,000	1,695

Selected Listing of Larger Employers in the County

<u>Name</u>	<u>Type of Business</u>
Westchester Medical Center	Hospital/Healthcare Services
IBM Corp.	Computer Hardware/Software
PepsiCo Inc.	Soft Drinks/Snack Food
White Plains Hospital	Hospital/Healthcare Services
Regeneron Pharmaceuticals Inc.	Biotechnology
St. John's Riverside Hospital	Hospital/Healthcare Services
Morgan Stanley	Financial Services
Northern Westchester Hospital	Hospital/Healthcare Services
New York Presbyterian Hospital	Hospital/Healthcare Services
St. Joseph's Medical Center	Hospital/Healthcare Services
Montefiore New Rochelle	Hospital/Healthcare Services

Source: Westchester County Official Statement (2026).

Unemployment Rate Statistics

<u>Annual Averages:</u>	<u>Town of Ossining (%)</u>	<u>Westchester County (%)</u>	<u>New York State (%)</u>
2021	4.4	4.8	6.9
2022	2.8	3.1	4.4
2023	2.9	3.2	4.2
2024	3.3	3.6	4.3
2025	3.1	3.3	4.2
2026 (YTD)	3.4	3.7	4.6

Source: New York State Department of Labor.

INDEBTEDNESS OF THE TOWN

Constitutional Requirements

The New York State Constitution limits the power of the Town (and other municipalities and school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional and statutory limitations include the following, in summary form, and are generally applicable to the Town 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, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute or the weighted average period of probable usefulness thereof; and no installment may be more than fifty per centum in excess of the smallest prior installment, unless the 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 year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and bond anticipation notes.

General. The 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 Limitation 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 Limitation Law. See "Tax Levy Limitation 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 and provisions set forth above. The power to spend money, however, generally derives from other law, including the Town Law.

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

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution which, in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. The Town is in compliance with such requirement with respect to the bond resolutions authorizing the issuance of the renewal money portion of the Notes. The Town is in the process of complying with such requirement with respect to the bond resolutions authorizing the issuance of the new money portion of the Notes.

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

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

In addition, under each bond resolution, the Town Board may delegate, and has delegated, power to issue and sell bonds, 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 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 Limitation 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 Limitation Law. See "Tax Levy Limitation Law," herein.

Computation of Debt Limit and Calculation of Net Debt Contracting Margin
(As of July 7, 2026)

<u>Fiscal Year Ending December 31:</u>	<u>Assessed_</u> <u>Valuation</u>	<u>State</u> <u>Equalization_</u> <u>Rate (%)</u>	<u>Full Valuation</u>
2022	\$5,230,617,306	100.00	\$5,230,617,306
2023	5,782,384,915	100.00	5,782,384,915
2024	6,316,184,155	100.00	6,316,184,155
2025	6,715,857,999	100.00	6,715,857,999
2026	7,055,302,064	100.00	7,055,302,064
Total Five Year Full Valuation			\$31,100,346,439
Average Five Year Full Valuation			6,220,069,288
Debt Limit - 7% of Average Full Valuation			435,404,850
Inclusions:			
Outstanding Bonds			\$1,745,000
Bond Anticipation Notes			3,974,344
Total Inclusions			5,719,344
Exclusions:			
Water Debt			31,606
Appropriations for BANs			404,518
Appropriations for Bonds			288,394
Total Exclusions:			724,518
Total Net Indebtedness			4,994,826
Net Debt Contracting Margin			\$430,410,024
Per Cent of Debt Contracting Margin Exhausted			1.15%

Debt Service Requirements – Outstanding Bonds

Fiscal Year Ending December 31:	Principal	Interest	Total
2026	\$435,000	\$33,920	\$468,920
2027	365,000	24,146	389,146
2028	280,000	18,100	298,100
2029	285,000	13,630	298,630
2030	180,000	8,715	188,715
2031	175,000	5,605	180,605
2032	140,000	2,253	142,253
Totals	<u>\$1,860,000</u>	<u>\$106,369</u>	<u>\$1,966,369</u>

Trend of Town Indebtedness

	Fiscal Year Ending December 31:				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Debt Outstanding End of Year:					
Bonds	\$3,820,000	\$3,375,000	\$2,850,000	\$2,400,000	\$1,860,000
BANs	<u>2,969,984</u>	<u>4,159,799</u>	<u>3,471,502</u>	<u>4,535,983</u>	<u>3,974,344</u>
Total Debt Outstanding	<u>\$6,789,984</u>	<u>\$7,534,799</u>	<u>\$6,321,502</u>	<u>\$6,935,983</u>	<u>\$5,834,344</u>

Details of Short-Term Indebtedness Outstanding

The Town has \$3,974,344 in bond anticipation notes outstanding for various public improvements within the Town due July 30, 2026, which will be redeemed by the issuance of Notes and available funds.

Capital Program

The Town is generally responsible for providing services as required to the citizens on a Town-wide basis. The Town maintains a road system necessitating road resurfacing and improvements and the acquisition of machinery and, from time to time, equipment. Additionally, although not a capital expense, such road system requires annual expenditures for snow removal as well as regular general operating maintenance expenses. In addition, the Town owns, operates, maintains and improves recreation facilities. In general, needs for capital funding for the above described projects which the Town has responsibility are anticipated to continue and to be in approximately the same amounts or less than has prevailed in the past.

Authorized but Unissued Indebtedness

The Town does not have authorized but unissued indebtedness.

Calculation of Estimated Overlapping and Underlying Indebtedness

<u>Overlapping Units</u>	<u>Date of Report</u>	<u>Percentage Applicable (%)</u>	<u>Applicable Total Indebtedness</u>	<u>Applicable Net Indebtedness</u>
County of Westchester	03/11/2026	2.89	\$42,486,503	\$32,470,131
Village of Ossining	09/04/2025	100.00	63,777,915	16,875,176
Village of Briarcliff Manor	01/07/2026	43.76	16,452,346	11,887,198
Briarcliff Manor UFSD	06/11/2025	70.29	19,918,860	19,918,860
Ossining UFSD	04/09/2026	87.80	<u>26,370,730</u>	<u>26,370,730</u>
Totals			<u>\$169,006,353</u>	<u>\$107,522,095</u>

Debt Ratios
(As of July 7, 2026)

	<u>Amount</u>	<u>Per_ Capita^a</u>	<u>Percentage of Full Value (%)^b</u>
Total Direct Debt	\$5,719,344	\$146	0.08
Net Direct Debt	4,994,826	127	0.07
Total Direct & Applicable Total Overlapping Debt	174,725,697	4,449	2.48
Net Direct & Applicable Net Overlapping Debt	112,516,921	2,865	1.59

a. The current estimated population of the Town is 39,276.

b. The full valuation of taxable real property in the Town for 2025-26 is \$7,055,302,064.

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, 2025 and 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. The Town also prepares an Annual Financial Report (unaudited) (the "AFR") that is filed with the State Comptroller.

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 three basic fund types: (1) governmental funds that are used to account for basic services and capital projects; (2) proprietary funds that account for operations of a commercial nature; and, (3) 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, Town Outside Villages Funds, Highway Fund, Special Districts Funds, Capital Projects Fund, Debt Service Fund and Special Purposes Funds. Fiduciary funds consist of a Trust and Agency Fund. Account groups are maintained for fixed assets and long-term debt.

Basis of Accounting

The Town's governmental funds are accounted for on a modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when they become susceptible to accrual - that is, when they become "measurable" and "available" to finance expenditures to the current period. Revenues are susceptible to accrual include real property taxes, intergovernmental revenues (State and Federal aid) and operating transfers.

Expenditures are generally recognized under the modified accrual basis of accounting that is when the related fund liability is incurred. An exception to this general rule is unmatured interest on general long-term debt which is recognized when due.

Certain Information Obtained from Financial Statements

Summary financial statements for the five years ended December 31, 2019 through December 31, 2023 are presented in Appendix A hereto. Such statements were compiled from the audited financial statements of the Town, however, the presentation of these statements has not been audited. The statements are not considered audited under auditing standards generally accepted in the United States of America because the notes to the statements and the auditors' report thereon have been omitted.

Investment Policy

Although the accumulative of funds for investment is not a Town purpose, the Town temporarily invests funds on hand pending their expenditures for Town operating and capital purposes.

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

Authorized Investments. The Town has designated six banks or trust companies which are located and authorized to conduct business in the State to receive deposits of money, including certificates of deposits, from the Town.

In addition to bank deposits, the Town is permitted to invest moneys in direct obligations of the United States of America, obligations guaranteed by agencies of the United States where the payment of principal and interest are further guaranteed by the United States of America and obligations of the State. Other eligible investments for the Town include: revenue and tax anticipation notes issued by any municipality, school district or district corporation other than the Town (investment subject to approval of the State Comptroller), obligations of certain public authorities or agencies, obligations issued pursuant to Section 109(b) of the General Municipal Law (certificates of participation) and certain obligations of the Town but only with respect to moneys of a reserve fund established pursuant to Section 6 of the General Municipal Law. The Town may also utilize repurchase agreements to the extent such agreements are based upon direct or guaranteed obligations of the United States of America. Repurchase agreements are subject to the following restrictions: all repurchase agreements are subject to a master repurchase agreement; trading partners are limited to banks or trust companies authorized to conduct business in the State or primary reporting dealers as designated by the Federal Reserve Bank of New York, securities may not be substituted; and the custodian for the repurchase security must be a party other than the trading partner. All purchased obligations, unless registered or inscribed in the name of the Town, must be purchased through, delivered to and held in the custody of a bank or trust company located and authorized to conduct business in the State. Reverse repurchase agreements are not allowed under State law.

Collateral Requirements. All Town deposits in excess of the applicable insurance coverage provided by the Federal Deposit Insurance Act must be secured by a pledge of collateral of the type authorized by Section 10 (1)(f) of the General Municipal Law of the State. Such collateral may consist of the "eligible securities," "eligible surety bonds" or "eligible letter of credit" as described in the Law.

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

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

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

Financial Operations

The Town 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. In addition, the Supervisor is the Town's budget officer and must therefore prepare the annual tentative budget for submission to the Town Board. Budgetary control during the year is the responsibility of the Supervisor. 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 Fund, Town Outside Villages Fund, and Highway Fund. Real property taxes and most of the other Town revenues are credited to these funds. Current operating expenditures are paid from these funds subject to available appropriations. The Town also has water, sewer and other special districts, which are accounted for within separate funds. Capital projects and equipment purchases are accounted for in special capital projects funds. The Town observes a calendar year for operating and reporting purposes.

Revenues

The Town receives most of its revenues from real property taxes and assessments. A summary of such revenues for the five recently completed fiscal years may be found in Appendix A.

Real Property Taxes

See "Real Property Tax Information", herein.

State Aid

Based on the audited financial reports of the Town, the Town received approximately 9.77% of its total General Fund operating revenue from State aid in 2025. 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.

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

The following table sets forth the percentage of the Town's General Fund revenue comprised of State aid for each of the fiscal years 2021 through 2025 and as budgeted, for 2026.

<u>Fiscal Year Ended</u> <u>December 31:</u>	<u>General Fund</u> <u>Total Revenue</u>	<u>State Aid</u>	<u>State Aid to</u> <u>Revenues (%)</u>
2021	\$6,298,742	\$964,059	15.31
2022	7,045,630	1,067,574	15.15
2023	7,335,285	656,430	8.95
2024	6,964,009	604,182	8.68
2025	7,260,001	709,641	9.77
2026 (Budgeted)	6,627,657	655,488	9.89

Source: Audited financial statements (2021-2025) and the adopted budget (2026). Table itself is not audited.

Sales Tax

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

In July 1991, the State Legislature authorized an additional 1% sales tax for the County to impose in localities other than cities which have their own sales tax. This additional 1% sales tax became effective on October 15, 1991 and has been extended through December 31, 2023. The additional 1% sales tax is to be apportioned between the County (33 1/3%), school districts in the County (16 2/3%) and towns, villages and cities in the County which have imposed sales taxes (50%).

In February of 2004, the State Legislature authorized an increase of ½% to the additional 1% 1991 sales tax. The County retains 70% of this amount, the municipalities 20% and the school districts 10%.

In 2019, Westchester County instituted an additional 1% local sales tax beginning in August of that year.

The following table sets forth total Town Outside Villages Fund revenue, including other financing sources, and sales taxes received for each of the past five fiscal years ended December 31 and the amount budgeted for the most recent fiscal year.

<u>Fiscal Year Ended</u> <u>December 31:</u>	<u>Total Revenue</u>	<u>Sales Tax</u>	<u>Sales Tax to</u> <u>Revenue (%)</u>
2021	\$4,688,656	\$1,320,371	28.16
2022	4,949,818	1,458,812	29.47
2023	4,932,791	1,462,191	29.64
2024	5,073,878	1,509,561	29.75
2025	5,181,945	1,576,926	30.43
2026 (Budgeted)	4,831,457	1,200,000	24.84

Source: Audited financial statements (2021-2025) and the adopted budget (2026). Table itself is not audited.

Expenditures

The major categories of expenditure for the Town are General Government Support, Transportation, Economic Assistance and Opportunity, 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.

The State Comptroller's Fiscal Stress Monitoring System

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

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

The most current applicable report of OSC designates the Town as "No Designation" (Fiscal Score: 3.3%; Environmental Score: 0.0%). More information on the FSMS may be obtained from the Office of the State Comptroller.

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

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

Pension Systems

Substantially all employees of the Town are members of the New York State and Local Employees' Retirement System ("ERS" or "Retirement System"). The Retirement System is a cost-sharing multiple public employee retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in the Retirement System are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 and before January 1, 2010 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, a new Tier 5 was created, which was effective for new ERS employees hired between January 1, 2010 and March 31, 2012. New ERS employees in Tier 5 contribute 3% of their salaries to the pensions. There is no provision for these contributions to cease for Tier 5 employees after a certain period of service.

Pension reform legislation changed the billing cycle for employer contributions to the ERS retirement system to match budget cycles of the Town. Under the previous method, the Town was not provided with required payment until after the budget was implemented. Under the reforms implemented, the employer contribution for a given fiscal year is based on the value of the pension fund on the prior April 1, instead of the following April 1. As a result, the Town is notified of and can include the actual cost of the employer contribution in its budget. Legislation also requires a minimum payment of 4.5% of payroll each year, including years in which investment performance of the fund would make a lower employer contribution possible.

In addition, the pension payment date for all local governments was changed from December 15 to February 1 and permits the legislative body of a municipality to establish a retirement contribution reserve fund for the purpose of financing retirement contributions in the future. The New York State Retirement System has advised the Town that municipalities can elect to make employer contribution payments in the December or the following February, as required. If such payments are made in the December prior to the scheduled payment date in February, such payments may be made at a discount amount.

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

The Town is required to contribute an actuarially determined rate. The required contributions for the five most recently completed fiscal years are as follows:

Contributions to the Retirement Systems

Fiscal Year Ending <u>December 31:</u>	<u>Amount</u> ^a
2021	\$473,644
2022	394,842
2023	407,859
2024	490,224
2025	577,724

a. Includes contributions in the General, Town Outside Village, Highway, Dale Cemetery Trust, and Consolidated Sewer District funds.

Due to prior poor performance of the investment portfolio of the Retirement System, the employer contribution rates for required pension contributions has increased. To help mitigate the impact of such increases, legislation has been enacted that permits local governments and school districts to amortize a portion of such contributions. The Town has not amortized any contributions to the Retirement System, nor does it expect to do so in the foreseeable future.

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. School districts and Boards of Cooperative Education Services, unlike other municipal units of government in the State, have been prohibited from reducing retiree health benefits or increasing health care contributions received or paid by retirees below the level of benefits or contributions afforded to or required from active employees. This protection from unilateral reduction of benefits had been extended annually by the New York State Legislature until recently when legislation was enacted to make permanent these health insurance benefit protections for retirees. Legislative attempts to provide similar protection to retirees of other local units of government in the State have not succeeded as of the date hereof. Nevertheless, many such retirees of all varieties of municipal units in the State do presently receive such benefits.

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

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

<u>Changes in the Total OPEB Liability</u>	<u>Fiscal Year Ending December 31, 2025:</u>
Total OPEB liability as of December 31, 2024	<u>\$13,208,238</u>
Changes for the year:	
Service Cost	391,591
Interest	544,907
Changes of benefit terms	-
Differences between actual and expected experience	-
Changes in Assumptions and Other Inputs	(1,417,867)
Benefit payments	<u>(493,479)</u>
Total Changes	<u>(\$974,848)</u>
Total OPEB liability as of December 31, 2025	<u><u>\$12,233,390</u></u>

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. At the present time, however, there is no current requirement for the Town to partially fund its actuarial accrued OPEB liability.

The OSC has 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. Under the State Comptroller's proposal, there are no limits on how much a local government can deposit into the trust. At this time, New York State has not developed guidelines for the creation and use of irrevocable trusts for the funding of OPEB. The Town continues funding the expenditure on a pay-as-you-go basis.

Actuarial Valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are less than 200 members.

REAL PROPERTY TAX INFORMATION

Real Property Taxes

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

The following table presents the total tax levy, by purpose, with adjustments and collection performance for recent fiscal years.

Valuations, Levies and Tax Rates

	Fiscal Year Ending December 31:				
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Taxable Assessed Value	\$5,230,617,306	\$5,782,384,915	\$6,316,184,155	\$6,715,857,999	\$7,055,302,064
Equalization Rate	100.00%	100.00%	100.00%	100.00%	100.00%
Full Value	\$5,230,617,306	\$5,782,384,915	\$6,316,184,155	\$6,715,857,999	\$7,055,302,064
Town Tax Levy:					
General ^a	\$9,684,403	\$9,931,556	\$10,175,628	\$10,398,739	\$10,662,574
Special District ^b	2,587,954	2,652,224	2,711,135	2,772,751	2,813,627
County Tax Levy:					
General	\$14,984,725	\$14,908,611	\$14,844,531	\$15,347,711	\$15,955,359
Special District ^c	5,109,220	5,654,490	6,255,376	6,943,218	7,489,461
Tax Rate:					
Town ^d	\$6.30	\$5.90	\$5.55	\$5.40	\$5.14
County ^e	2.88	2.59	2.36	2.29	2.27

a. Taxes levied for General, Town Outside Village and Highway purposes. Includes unincorporated area.

b. Special districts include taxes for independent fire protection districts.

c. Includes assessments for County Sewer Districts and Refuse District No. 1.

d. Tax rate per \$1,000 assessed value for General, Town Outside Village, and Highway.

e. County general tax rate.

Tax Levy and Collection Record

Fiscal Year Ended December 31:	<u>Adjusted Tax Levy^a</u>	<u>Amount Collected</u>			% Collections <u>Adjusted Tax Levy</u>
		<u>Current Levy</u>	<u>Prior Years</u>	<u>Total Collections</u>	
2021	\$32,393,515	\$32,180,819	\$1,927,543	\$34,108,362	105.29%
2022	32,590,606	32,359,140	1,415,002	33,774,142	103.63%
2023	33,405,404	33,198,735	1,316,826	34,515,561	103.32%
2024	34,260,822	34,045,924	714,842	34,760,765	101.46%
2025	35,753,761	35,625,474	884,632	36,510,106	102.12%
2026 (as of 5/31/26)	37,193,284	36,606,711	475,728	37,082,439	99.70%

a. Prior years tax collections include town and county liens, unpaid school taxes and interest, penalties and fees.

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 budgeted for the year ending 2026.

<u>Fiscal Year Ended December 31:</u>	<u>Total Revenue</u>	<u>Real Property Taxes</u>	<u>Real Property Taxes to Revenues (%)</u>
2021	\$6,298,742	\$3,749,269	59.52
2022	7,045,630	4,037,166	57.30
2023	7,335,285	4,506,756	61.44
2024	6,964,009	4,040,982	58.03
2025	7,260,001	4,253,270	58.58
2026 (Budgeted)	6,627,657	4,531,533	68.37

Source: Audited financial statements (2021-2025) and the adopted budget (2026). Table itself is not audited.

School Tax Collection

<u>Fiscal Year Ended June 30:</u>	<u>Amount of Tax Levy</u>	<u>Tax Collections</u>	<u>Unpaid Taxes</u>	<u>Current Collections to Tax Levy</u>
2021	\$114,078,418	\$113,161,511	\$ 916,907	99.20%
2022	116,347,074	115,341,730	1,005,344	99.14
2023	117,194,371	116,486,022	708,349	99.40
2024	117,965,769	117,162,990	802,779	99.32
2025	121,920,747	121,091,854	828,893	99.32
2026 (as of 05/31/26)	124,668,062	123,354,896	1,313,166	98.95

Tax Collection Procedure

The assessment and collection of real property taxes is governed by the Real Property Tax Law of the State and the County Tax Code. Towns and cities in the County assess all real property within their boundaries and collect and enforce all real property taxes and assessments. The Town receives tax warrants for the collection of taxes from the County as well as the school districts within its boundaries. The Town remits the full amount of the County and school district taxes according to the times prescribed by the County Tax Law. The Town is required to pay the full amount of each warrant presented by these various entities, whether or not these amounts are actually collected by the Town. The Town enforces delinquent taxes through in-rem foreclosure proceedings.

Town, County, and special district taxes or assessments for the period from January 1st to December 31st are due in a single payment on April 1st. Payment may be made without penalty until April 30th, after which the penalty is 2% during May, 5% during June and July, 7% during August and September, 10% during October, November and December and 12% for January through April of the following year. Thereafter the penalty is 12% plus 1% for each additional month or fraction thereof until the tax liens are filed with the County.

School taxes for the school year July 1st may be paid in two installments. The first such installment is due on September 1st and may be paid without penalty until September 30th, after which the penalty is 2% during October, 5% during November, 7% during December and January, 10% during February and March and 12% during April after which the penalty is 12% plus 1% for each month or fraction thereof until the filing of the tax liens with the County. The second installment of school taxes is payable on January 1 and may be paid without penalty until January 31st. Payments thereafter must pay a penalty in accordance with the schedule set forth herein for the first installment.

County and school districts taxes collected prior to the satisfaction of the respective warrants are considered a fiduciary activity under the provisions of GASB Statement No. 84, "Fiduciary Activities", and therefore have been accounted for within the Custodial Fund.

Large Taxable Properties
2026 Assessment Roll ^a

<u>Name</u>	<u>Type</u>	<u>Assessed Valuation</u>
Con Edison Co of NY	Utility	\$125,411,700
Crotonville Owner LLC	Training Facility	39,500,000
Briarcliff Racquet & Fitness	Health/Gym	15,173,500
Cedar Manor Property Acquisition	Senior Living	14,331,000
Briarcliff Storage Owner LLC	Storage	14,219,800
Waterview Living LLC	Apartments	9,284,400
Artis Senior Living Holdings	Senior Living	8,805,800
Parth Knolls LLC	Apartments	7,036,600
566 North State RD Realty LLC	Truck Depo	4,625,700
MEM Realty of Westchester LLC	Office	3,377,700
Total		<u><u>\$241,766,200</u></u>

a. Represents 3.43% of the total taxable Assessed Valuation of the Town for 2026.

LITIGATION

Various notices of claims have been filed against the Town based on matters involving administrative determinations, property damage, real property tax assessments or other alleged wrongful acts. Many of the claims are seeking money damages or a refund of real property taxes. Claims based on administrative actions generally request injunctive relief from a specific rule or regulation. Except as noted, it is the opinion of the Town Attorney that the settlement of all pending matters of litigation are adequately covered by the Town's insurance policies and therefore are not expected to have an adverse material effect on the Town's financial position. Moreover, the Town Attorney indicates that there are no currently existing claims seeking punitive damages which are not covered by insurance.

Tax Certiorari Claims. In common with other municipalities, there are a number of tax certiorari proceedings involving properties that are subject to the levy of Town of Ossining ad valorem taxes. The plaintiffs in these matters have asserted that their properties are over-assessed and are seeking assessment reductions. Historically, tax certiorari claims have been settled through negotiations, resulting in assessed value adjustments substantially less than originally claimed and with some claims being outright withdrawn or dismissed. Additionally, the Town of Ossining has a strong practice of pursuing resolutions to tax certiorari claims prospectively. Over the past 5 years, the Town of Ossining has averaged approximately \$58,000 per year in tax certiorari refunds when carrying an average annual exposure of around \$500,000.

It is not possible to provide an estimate of the effect that pending tax certiorari claims could have on the financial position of the Town. Previous settlements of tax certiorari claims have not had a material effect on the Town's finances. For the years ended December 31, 2021 through 2025, tax refunds paid by the Town pursuant to tax certiorari settlements are summarized in the table below:

<u>Fiscal Year Ended</u> <u>December 31:</u>	<u>Tax Refund</u>
2021	\$59,583
2022	27,545
2023	160,460
2024	8,866
2025	34,249

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

Risk Management. The Town purchases various conventional insurance policies to limit its exposure to loss. The Public Officials Liability Policy provides coverage of \$1 million per occurrence. In addition, the Town has an excess liability policy which provides coverage up to \$10 million per occurrence which provides an overall available limit of \$11,000,000. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

Effective January 1, 2009, the Town purchased conventional workers' compensation insurance. Previous to that, the Town was self-insured for workers' compensation benefits. The Town is responsible for outstanding claims under the previous self-insured plan. The Town retains the risk for these claims up to \$125,000 per year. Insurance coverage has been secured for losses in excess of \$125,000. The governmental funds are charged premiums by the Internal Service Fund.

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. The Town holds an insurance policy to mitigate the losses associated with any cyber security threats.

MARKET AND RISK FACTORS

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

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

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

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

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

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

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

TAX MATTERS

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

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

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

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

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

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

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

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

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

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

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

LEGAL MATTERS

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

RATING

The Notes are not rated.

Moody's Investors Service ("Moody's") 7 WTC at Greenwich Street, New York, NY, Phone: (212) 553-4055 and Fax: (212) 298-6761, has assigned a "Aa1" to the outstanding Bonds of the Town. This rating reflects only the view of the rating agency furnishing the same, and an explanation of the significance of this rating may be obtained only from the rating agency. There is no assurance such rating will continue for any given period of time, or that such rating will not be revised or withdrawn by such rating agency, if in its judgment, circumstances so warrant. Any such action could have an adverse effect on the market for and market price of the Bonds and the Notes.

MUNICIPAL ADVISOR

Munistat Services, Inc. (the "Municipal Advisor"), is a Municipal Advisor, registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the Town on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has assisted the District as to the plan of finance and the structuring of the Notes and has reviewed and commented on certain legal documents, including this Official Statement. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the 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.

OTHER MATTERS

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

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

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

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

ADDITIONAL INFORMATION

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

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

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

Munistat Services, Inc. may place a copy of this Official Statement on its website at www.munistat.com. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Munistat Services, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the 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.

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

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

This Official Statement has been duly executed and delivered by the Supervisor of the Town of Ossining.

TOWN OF OSSINING, NEW YORK

By: s/s ELIZABETH R. FELDMAN
Town Supervisor and Chief Fiscal Officer

July , 2026

TOWN OF OSSINING, NEW YORK

APPENDIX A

FINANCIAL INFORMATION

Balance Sheet
General Fund

	Fiscal Year Ended December 31:				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Assets:					
Cash and Cash Equivalents	\$ 4,345,439	\$ 5,956,951	\$ 7,398,731	\$ 5,001,749	\$ 6,198,455
Investments				1,754,159	247,245
Taxes Receivable	1,668,489	1,676,504	1,398,617	1,756,602	2,042,623
Accounts Receivable	80,680	107,524	240,567	115,435	133,406
State and Federal Aid	30,313	37,593	102,094	191,923	109,789
Due from Other Governments	30,069	259,974	109,600	165,217	22,357
Due from Other Funds	175,242		170,428	391,864	
Prepaid Expenditures	75,819	63,371	63,581	75,578	87,124
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ <u>6,406,051</u>	\$ <u>8,101,917</u>	\$ <u>9,483,618</u>	\$ <u>9,452,527</u>	\$ <u>8,840,999</u>
Liabilities:					
Accounts Payable	\$ 106,734	\$ 58,228	\$ 95,626	\$ 164,345	\$ 100,433
Accrued Liabilities	249,434	203,604	442,867	291,759	334,731
Deposits Payable	1,105	660	462	55,204	
Employee Payroll Deductions	934	2,473	4,168	2,185	
Due to Other Governments	4,674	812	3,725	15,743	5,617
Due to Other Funds	65				
Unearned Revenues	293,176	580,769	595,207	450,633	25
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>656,122</u>	<u>846,546</u>	<u>1,142,055</u>	<u>979,869</u>	<u>440,806</u>
Deferred Inflows of Resources					
Deferred Tax Revenues	<u>1,499,399</u>	<u>1,594,309</u>	<u>1,334,956</u>	<u>1,568,371</u>	<u>1,683,951</u>
Total Deferred Inflows of Resources	<u>1,499,399</u>	<u>1,594,309</u>	<u>1,334,956</u>	<u>1,568,371</u>	<u>1,683,951</u>
Fund Balances:					
Nonspendable	75,819	63,371	63,581	75,578	87,124
Assigned	7,180	5,221	12,734	33,808	8,430
Unassigned	<u>4,167,531</u>	<u>5,592,470</u>	<u>6,930,292</u>	<u>6,794,901</u>	<u>6,620,688</u>
Total Fund Balances (Deficits)	<u>4,250,530</u>	<u>5,661,062</u>	<u>7,006,607</u>	<u>6,904,287</u>	<u>6,716,242</u>
Total Liabilities, Deferred Inflows and Fund Balances (Deficits)	\$ <u>6,406,051</u>	\$ <u>8,101,917</u>	\$ <u>9,483,618</u>	\$ <u>9,452,527</u>	\$ <u>8,840,999</u>

Source: Audited Financial Statements (2021-2025)

NOTE: This schedule is NOT audited.

Balance Sheet
General - Town Outside Village Fund

	Fiscal Year Ended December 31:				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Assets:					
Cash and Cash Equivalents	\$ 4,964,658	\$ 5,862,941	\$ 6,283,289	\$ 5,521,345	\$ 5,959,352
Accounts Receivable	33,830	72,142	47,120	39,960	37,488
State and Federal Aid					2,797
Due from Other Governments	355,518	386,159	382,695	368,045	412,281
Prepaid Expenditures	<u>5,374</u>	<u>4,784</u>	<u>5,810</u>	<u>6,811</u>	<u>8,474</u>
Total Assets	\$ <u>5,359,380</u>	\$ <u>6,326,026</u>	\$ <u>6,718,914</u>	\$ <u>5,936,161</u>	\$ <u>6,420,392</u>
Liabilities:					
Accounts Payable	\$ 33,274	\$ 16,856	\$ 24,482	\$ 23,981	\$ 16,698
Accrued Liabilities	7,473	7,718	7,978	7,780	16,052
Deposits Payable	104,816	70,451	57,780	137,956	156,235
Due to Other Funds	20				
Unearned Revenues	<u>1,475</u>				
Total Liabilities	<u>147,058</u>	<u>95,025</u>	<u>90,240</u>	<u>169,717</u>	<u>188,985</u>
Fund Balances:					
Nonspendable	5,374	4,784	5,810	6,811	8,474
Restricted	200,322	250,204	282,492	316,401	347,158
Assigned	<u>5,006,626</u>	<u>5,976,013</u>	<u>6,340,372</u>	<u>5,443,232</u>	<u>5,875,775</u>
Total Fund Balances (Deficits)	<u>5,212,322</u>	<u>6,231,001</u>	<u>6,628,674</u>	<u>5,766,444</u>	<u>6,231,407</u>
Total Liabilities, Deferred Inflows and Fund Balances (Deficits)	\$ <u>5,359,380</u>	\$ <u>6,326,026</u>	\$ <u>6,718,914</u>	\$ <u>5,936,161</u>	\$ <u>6,420,392</u>

Source: Audited Financial Statements (2021-2025)

NOTE: This schedule is NOT audited.

Balance Sheet
Highway Fund

	Fiscal Year Ended December 31:				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Assets:					
Cash and Cash Equivalents	\$ 1,528,146	\$ 1,541,804	\$ 1,653,409	\$ 1,569,604	\$ 1,702,932
Accounts Receivable	33	9,584	3,000	14,471	
Due from Other Governments	2,729	5,718	93		2,503
Prepaid Expenditures	<u>32,936</u>	<u>23,503</u>	<u>27,591</u>	<u>34,460</u>	<u>40,780</u>
Total Assets	\$ <u>1,563,844</u>	\$ <u>1,580,609</u>	\$ <u>1,684,093</u>	\$ <u>1,618,535</u>	\$ <u>1,746,215</u>
Liabilities:					
Accounts Payable	\$ 70,577	\$ 26,052	\$ 76,910	\$ 29,112	\$ 56,673
Accrued Liabilities	<u>29,926</u>	<u>32,405</u>	<u>29,223</u>	<u>48,889</u>	<u>85,496</u>
Total Liabilities	<u>100,503</u>	<u>58,457</u>	<u>106,133</u>	<u>78,001</u>	<u>142,169</u>
Fund Balances:					
Nonspendable	32,936	23,503	27,591	34,460	40,780
Assigned	<u>1,430,405</u>	<u>1,498,649</u>	<u>1,550,369</u>	<u>1,506,074</u>	<u>1,563,266</u>
Total Fund Balances (Deficits)	<u>1,463,341</u>	<u>1,522,152</u>	<u>1,577,960</u>	<u>1,540,534</u>	<u>1,604,046</u>
Total Liabilities, Deferred Inflows and Fund Balances (Deficits)	\$ <u>1,563,844</u>	\$ <u>1,580,609</u>	\$ <u>1,684,093</u>	\$ <u>1,618,535</u>	\$ <u>1,746,215</u>

Source: Audited Financial Statements (2021-2025)

NOTE: This schedule is NOT audited.

Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund-Townwide

	Fiscal Year Ended December 31:				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Revenues:					
Real Property Taxes	\$ 3,749,269	\$ 4,037,116	\$ 4,506,756	\$ 4,040,982	\$ 4,253,270
Other Tax Items	745,886	768,912	606,016	522,264	562,150
Departmental Income	51,125	75,055	73,722	80,340	108,298
Intergovernmental Charges	307,947	317,353	308,721	299,357	317,548
Use of Money & Property	40,227	129,614	470,381	495,503	378,871
Licenses and Permits	13,363	6,418	4,800	5,758	6,654
Fines and Forfeitures	97,083	252,095	438,202	478,233	392,393
Sale of Property & Compensation for Loss	1,051	7,091	49,016	2,950	3,627
State Aid	964,059	1,067,574	656,430	604,182	709,641
Federal Aid	123,570	147,237	145,067	379,303	463,887
Miscellaneous	205,163	237,165	76,174	55,137	63,662
Total Revenues	<u>6,298,743</u>	<u>7,045,630</u>	<u>7,335,285</u>	<u>6,964,009</u>	<u>7,260,001</u>
Expenditures:					
General Government Support	2,494,422	2,479,569	2,566,453	2,591,481	2,661,272
Economic Assistance & Opportunity	479,656	591,131	660,280	737,346	719,578
Culture & Recreation	866,990	961,292	988,532	833,845	1,067,784
Home and Community Services	1,194,343	25,617	26,280	23,605	21,287
Employee Benefits	34,233	1,211,943	1,225,688	1,330,088	1,365,052
Debt Service	648	797	23,112	28,438	23,545
Total Expenditures	<u>5,070,292</u>	<u>5,270,349</u>	<u>5,490,345</u>	<u>5,544,803</u>	<u>5,858,518</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,228,451</u>	<u>1,775,281</u>	<u>1,844,940</u>	<u>1,419,206</u>	<u>1,401,483</u>
Other Sources (Uses)					
Transfers In		105,352	8,148		53,500
Transfers (Out)	<u>(501,467)</u>	<u>(470,101)</u>	<u>(507,543)</u>	<u>(1,521,526)</u>	<u>(1,643,028)</u>
Total Other Sources (Uses)	<u>(501,467)</u>	<u>(364,749)</u>	<u>(499,395)</u>	<u>(1,521,526)</u>	<u>(1,589,528)</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>726,984</u>	<u>1,410,532</u>	<u>1,345,545</u>	<u>(102,320)</u>	<u>(188,045)</u>
Fund Balance Beginning of Year	<u>3,523,546</u>	<u>4,250,530</u>	<u>5,661,062</u>	<u>7,006,607</u>	<u>6,904,287</u>
Prior Period Adjustments					
Fund Balance End of Year	<u>\$ 4,250,530</u>	<u>\$ 5,661,062</u>	<u>\$ 7,006,607</u>	<u>\$ 6,904,287</u>	<u>\$ 6,716,242</u>

Source: Audited Financial Statements (2021-2025)

NOTE: This schedule is NOT audited.

Statement of Revenues, Expenditures and Changes in Fund Balances
General - Town Outside Village Fund

	Fiscal Year Ended December 31:				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Revenues:					
Real Property Taxes	\$ 2,871,386	\$ 2,929,221	\$ 2,962,441	\$ 3,044,082	\$ 3,110,603
Other Tax Items	160,863	182,451	162,337	159,722	167,597
Non Property Tax Items	1,320,371	1,458,812	1,462,191	1,509,561	1,576,926
Departmental Income	166,486	158,131	171,233	144,105	156,535
Use of Money & Property	2,348	33,253	88,028	105,240	81,307
Licenses and Permits	4,800	1,400			
Sale of Property & Compensation for Loss	162,285	684			260
State Aid		185,094	85,594	110,660	86,738
Miscellaneous	117	772	967	508	1,979
Total Revenues	<u>4,688,656</u>	<u>4,949,818</u>	<u>4,932,791</u>	<u>5,073,878</u>	<u>5,181,945</u>
Expenditures:					
General Government Support	388,497	396,051	470,501	482,156	510,577
Public Safety	2,501,173	2,596,305	2,704,515	2,767,054	2,861,050
Culture & Recreation	371,790	385,546	410,993	425,377	441,116
Home & Community Service	45,056	31,438	33,638	47,287	41,477
Employee Benefits	292,752	276,871	303,380	387,617	363,768
Total Expenditures	<u>3,599,268</u>	<u>3,686,211</u>	<u>3,923,027</u>	<u>4,109,491</u>	<u>4,217,988</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,089,388</u>	<u>1,263,607</u>	<u>1,009,764</u>	<u>964,387</u>	<u>963,957</u>
Other Sources (Uses)					
Transfers In					
Transfers (Out)	<u>(677,177)</u>	<u>(244,928)</u>	<u>(612,091)</u>	<u>(1,826,617)</u>	<u>(498,994)</u>
Total Other Sources (Uses)	<u>(677,177)</u>	<u>(244,928)</u>	<u>(612,091)</u>	<u>(1,826,617)</u>	<u>(498,994)</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>412,211</u>	<u>1,018,679</u>	<u>397,673</u>	<u>(862,230)</u>	<u>464,963</u>
Fund Balance Beginning of Year	<u>4,800,111</u>	<u>5,212,322</u>	<u>6,231,001</u>	<u>6,628,674</u>	<u>5,766,444</u>
Prior Period Adjustments					
Fund Balance End of Year	<u>\$ 5,212,322</u>	<u>\$ 6,231,001</u>	<u>\$ 6,628,674</u>	<u>\$ 5,766,444</u>	<u>\$ 6,231,407</u>

Source: Audited Financial Statements (2021-2025)

NOTE: This schedule is NOT audited.

Statement of Revenues, Expenditures and Changes in Fund Balances
Highway Fund

	Fiscal Year Ended December 31:				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Revenues:					
Real Property Taxes	\$ 2,572,443	\$ 2,668,842	\$ 2,735,335	\$ 2,811,441	\$ 2,875,039
Other Tax Items					
Departmental Income	16,630	13,280	7,200	17,890	5,000
Use of Money & Property	800	10,775	30,526	31,949	21,366
Sale of Property & Compensation for Loss	25,009	4,397	6,758	23,067	13,382
State Aid	12,926	2,811	1,517	1,547	4,451
Federal Aid	68,805	11,468			17,237
Miscellaneous	2,613	8,905	10,289	10,024	243
	<u>2,699,226</u>	<u>2,720,478</u>	<u>2,791,625</u>	<u>2,895,918</u>	<u>2,936,718</u>
Total Revenues					
Expenditures:					
General Government Support	166,843	161,672	233,267	207,489	212,075
Transportation	1,524,386	1,714,837	1,518,612	1,510,390	1,784,117
Employee Benefits	611,346	655,815	710,642	747,960	771,194
Debt Service	541	6,561	81,572	97,542	136,672
	<u>2,303,116</u>	<u>2,538,885</u>	<u>2,544,093</u>	<u>2,563,381</u>	<u>2,904,058</u>
Total Expenditures					
Excess (Deficiency) of Revenues over Expenditures	<u>396,110</u>	<u>181,593</u>	<u>247,532</u>	<u>332,537</u>	<u>32,660</u>
Other Sources (Uses)					
Transfers In	650,000	257,235	629,913	1,784,500	442,471
Transfers (Out)	<u>(825,302)</u>	<u>(380,017)</u>	<u>(821,637)</u>	<u>(2,154,463)</u>	<u>(411,619)</u>
Total Other Sources (Uses)	<u>(175,302)</u>	<u>(122,782)</u>	<u>(191,724)</u>	<u>(369,963)</u>	<u>30,852</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>220,808</u>	<u>58,811</u>	<u>55,808</u>	<u>(37,426)</u>	<u>63,512</u>
Fund Balance Beginning of Year	<u>1,242,533</u>	<u>1,463,341</u>	<u>1,522,152</u>	<u>1,577,960</u>	<u>1,540,534</u>
Prior Period Adjustment					
Fund Balance End of Year	<u>\$ 1,463,341</u>	<u>\$ 1,522,152</u>	<u>\$ 1,577,960</u>	<u>\$ 1,540,534</u>	<u>\$ 1,604,046</u>

Source: Audited Financial Statements (2021-2024)

NOTE: This schedule is NOT audited.

Adopted Budget

	Fiscal Year Ended December 31, 2026		
	Town Outside		
	<u>General</u>	<u>Village</u>	<u>Highway</u>
Revenues:			
Real Property Taxes	\$ 4,531,533	\$ 3,186,164	\$ 2,944,877
Other Tax Items	9,270		
Non-Property Taxes	530,500	1,200,000	
Departmental Income	84,500	9,500	1,000
Intergovernmental Charges		123,000	20,000
Use of Money & Property		178,000	
Licenses and Permits	437,738		7,481
Sale of Property & Compensation for Loss			6,000
Fines and Forfeitures	230,000		
State Aid	655,488	84,793	
Federal Aid	120,712		
Interfund Transfers	13,916		385,000
Miscellaneous	14,000		
Appropriated Fund Balance		50,000	
Total Revenues	\$ <u>6,627,657</u>	\$ <u>4,831,457</u>	\$ <u>3,364,358</u>
Expenditures:			
General Government Support	\$ 2,854,567	\$ 489,765	\$ 224,320
Public Safety	202,730	2,992,253	
Economic Assistance & Opportunity			
Transportation	498,766		1,712,571
Culture & Recreation	823,982	455,232	
Home and Community Services	124,467	60,105	
Employee Benefits	1,633,560	422,841	910,032
Debt Service	60,866		417,040
Interfund Transfer	428,719	411,261	100,395
Total Expenditures	\$ <u>6,627,657</u>	\$ <u>4,831,457</u>	\$ <u>3,364,358</u>

Source: 2026 Adopted Budget of the Town

NOTE: This schedule is NOT audited.

Adopted Budget

	Fiscal Year Ended December 31, 2025		
	Town Outside		
	<u>General</u>	<u>Village</u>	<u>Highway</u>
Revenues:			
Real Property Taxes	\$ 4,413,097	\$ 3,110,603	\$ 2,875,039
Other Tax Items	3,377		
Non-Property Taxes	508,000	1,200,000	
Departmental Income	97,000	253,500	
Intergovernmental Charges	319,069	10,000	1,000
Use of Money & Property	104,000	37,000	20,000
Licenses and Permits	5,000		6,481
Sale of Property & Compensation for Loss			7,000
Fines and Forfeitures	210,000		
State Aid	655,488	84,793	
Federal Aid	120,712		
Interfund Transfers			435,000
Miscellaneous	16,000		
Appropriated Fund Balance		100,000	
Total Revenues	\$ <u>6,451,743</u>	\$ <u>4,795,896</u>	\$ <u>3,344,520</u>
Expenditures:			
General Government Support	\$ 2,696,793	\$ 538,505	\$ 212,257
Public Safety		2,873,612	
Economic Assistance & Opportunity	711,390		
Transportation			1,685,204
Culture & Recreation	851,535	441,116	
Home and Community Services	28,588	63,712	
Employee Benefits	1,604,594	417,065	893,805
Debt Service	130,132	26,886	452,277
Interfund Transfer	428,711	435,000	100,977
Total Expenditures	\$ <u>6,451,743</u>	\$ <u>4,795,896</u>	\$ <u>3,344,520</u>

Source: 2025 Adopted Budget of the Town

NOTE: This schedule is NOT audited.

APPENDIX B

FORM OF BOND COUNSEL'S OPINION

July 29, 2026

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

Re: Town of Ossining, Westchester County, New York
\$3,569,826 Bond Anticipation Notes, 2026 (Renewals)

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of a \$3,569,826 Bond Anticipation Notes, 2026 (Renewals) (the "Obligation"), of the Town of Ossining, Westchester County, New York (the "Obligor"), dated July 29, 2026, numbered _____, of the denomination of _____, bearing interest at the rate of _____ % per annum, payable at maturity, and maturing July 29, 2027.

We have examined:

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

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

In our opinion:

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

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

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

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

Very truly yours,

/es

APPENDIX C

AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025

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