This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstance shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT JULY 27, 2026

NEW ISSUE – SERIAL BONDS
BOND ANTICIPATION NOTES

RATING – MOODY'S INVESTOR SERVICE: " "

In the opinion of Harris Beach Murtha Cullina PLLC, New York, New York, Bond Counsel to the City, under existing statutes, regulations, administrative rulings, and court decisions, and assuming continuing compliance by the City with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), and the accuracy of certain representations made by the City, interest on the Bonds and the Notes is excluded from gross income of the owners thereof for Federal income tax purposes and is not an "item of tax preference" for purposes of the Federal alternative minimum tax imposed on individuals. However, interest on the Bonds and the Notes held by certain corporations that are subject to the Federal corporate alternative minimum tax is included in the computation of "adjusted financial statement income" for purposes of the Federal alternative minimum tax imposed on such corporations. Bond Counsel is also of the opinion that under existing statutes interest on the Bonds and 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). No opinion is expressed regarding other Federal or State tax consequences arising with respect to the Bonds and the Notes. See "TAX MATTERS" herein.

The City will NOT designate the Bonds and the Notes as "qualified tax-exempt obligations" pursuant to the provision of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

CITY OF PEEKSKILL
WESTCHESTER COUNTY, NEW YORK
(the "City")

$7,465,946* PUBLIC IMPROVEMENT SERIAL BONDS, 2026 SERIES B
(the "Bonds")

BOND MATURITY SCHEDULE
(See Inside Front Cover)

The Bonds are subject to redemption prior to maturity, at the option of the City, in accordance with terms described herein. (See "*Optional Redemption"* under "*THE BONDS*," herein.)

$5,138,000 BOND ANTICIPATION NOTES, 2026
(the "Notes")

Dated Date: August 20, 2026 Maturity Date: August 20, 2027

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

The Bonds and the Notes are general obligations of the City of Peekskill, Westchester County, New York (the "City"), and will contain a pledge of the faith and credit of the City for the punctual payment of the principal thereof and interest thereon and, unless paid from other sources, all the taxable real property within the City will be subject to the levy of ad valorem taxes to pay such principal and the interest, subject to certain applicable statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended (the "Tax Levy Limitation Law"). (See "*TAX LEVY LIMITATION LAW"* herein).

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

Principal of and interest on such Bonds and the Notes will be payable in Federal Funds by the City, at such bank or trust company located and authorized to do business in the State of New York as selected by the purchaser.

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

Sealed bids for the Bonds and the Notes will be received at 11:00 A.M. (Prevailing Time) on August 6, 2026, in accordance with the respective Notices of Sale dated July27, 2026.

The Bonds and the Notes are offered subject to the final approving opinion of Harris Beach Murtha Cullina, PLLC, New York, New York, Bond Counsel to the City, and certain other conditions. Harris Beach Murtha Cullina PLLC expresses no opinion on the accuracy or completeness of information in any documents prepared by or on behalf of the City for use in connection with the offer and sale of the Bonds and the Notes, including this Official Statement and the appendices hereto. It is expected that delivery of the Bonds and the Notes will be made on or about August 20, 2026, in New York, New York, or as otherwise agreed to by the City and the purchaser(s).

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

*Preliminary, subject to change

CITY OF PEEKSKILL
WESTCHESTER COUNTY, NEW YORK

$7,465,946* PUBLIC IMPROVEMENT SERIAL BONDS – 2026 SERIES B

BOND MATURITY SCHEDULE

Dated: August 20, 2026

Principal Due: August 15, 2027-2043, inclusive
Interest Due: Semi-annually on February 15 and August 15 in each year to maturity, commencing February 15, 2027

Year	Amount	Rate	Yield or Price	CUSIP #
2027	$ 595,946			
2028	575,000			
2029	580,000			
2030	555,000			
2031	415,000			
2032	440,000			
2033	440,000*			
2034	440,000*			
2035	445,000*			
2036	425,000*			
2037	425,000*			
2038	425,000*			
2039	425,000*			
2040	425,000*			
2041	275,000*			
2042	290,000*			
2043	290,000*			

*Preliminary, subject to chang
**Subject to prior redemption.

CITY OF PEEKSKILL
WESTCHESTER COUNTY, NEW YORK

City Hall
840 Main Street
Peekskill, New York 10566
Telephone: (914) 737-3400
Fax: (914) 734-4113

Vivian C. McKenzie, Mayor

COUNCIL MEMBERS

Patricia Riley, Deputy Mayor	Charles DiGruccio
Kathleen Talbot	Beverly Chang
Brian Fassett	Darren Rigger

Matthew Alexander, City Manager
Toni J. Tracy, City Comptroller

* * *

CITY COUNSEL

Keane & Beane P.C.

* * *

BOND COUNSEL

HARRIS BEACH MURTHA
ATTORNEYS AT LAW

Harris Beach Murtha Cullina PLLC
White Plains, New York

* * *

MUNICIPAL ADVISOR

Municipal Finance Advisory Service

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

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

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

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CITY OF PEEKSKILL, NEW YORK
CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE A6GREEMENT, dated as of August 20, 2026 (the "Agreement"), is made by and between the City of Peekskill (the "Issuer"), a municipal corporation of the State of New York, located in the County of Westchester, and the holders and beneficial owners from time to time of the Issuer's $5,138,000 Bond Anticipation Notes, 2026 (the "Notes"), dated August 20, 2026, under the circumstances summarized in the following recitals:

A. The Issuer, by passage of various serial bond resolutions adopted by the Common Council of the City on their respective dates to finance the costs of the various purposes in and for the City (the "Resolutions"), and pursuant to a Certificate of Determination of the City Comptroller, dated the date hereof, has determined to issue the Notes to provide funds for the financing of the costs of the acquisition, construction and reconstruction of various purposes, and _____ (the "Original Purchaser"), has agreed to provide those funds to the Issuer by purchasing the Notes.

B. As a condition to the purchase of the Notes from the Issuer and the sale of the Notes to holders and beneficial owners, the Original Purchaser is required to reasonably determine that the Issuer has made an agreement for the benefit of holders and beneficial owners from time to time of the Notes for purposes of paragraph (b)(5)(i) of Rule 15c2-12 promulgated by the Securities and Exchange Commission, as amended (the "Rule") .

NOW, THEREFORE, in consideration of the purchase of the Notes from the Issuer by the Original Purchaser, the Issuer hereby agrees pursuant to the Resolutions, for the benefit of the holders and beneficial owners from time to time of the Notes, as follows:

Section 1. Notices of Events. The Issuer hereby agrees to provide or cause to be provided to the Municipal Securities Rulemaking Board Commission (MSRB) Electronic Municipal Market Access System (EMMA), and to any New York State Information Depository, in a timely manner (but not later than 10 days after the occurrence thereof), notice of the occurrence of any Specified Event described in Section 2.

Section 2. Specified Events. Specified Events shall include: principal and interest payment delinquencies; non-payment related defaults, if material; unscheduled draws on debt service reserve funds reflecting financial difficulties; unscheduled draws on credit enhancements reflecting financial difficulties; substitution of credit or liquidity providers, or their failure to perform; 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 or determinations with respect to the tax status of the Notes or events affecting the tax status of the Notes; modifications to rights of beneficial owners, if material; bond or note calls, if material; tender offers; defeasances; release, substitution, or sale of property securing repayment of the Notes, if material; bankruptcy, insolvency, receivership, or a similar proceeding by the Issuer; consummation of a merger, consolidation, acquisition involving the Issuer, other than in the ordinary course of business, or the sale of substantially all of the assets of the Issuer, or the entry of a definitive agreement to engage in a transaction, or a termination of such an agreement, other than in accordance with its terms, if material; appointment of a successor or additional trustee, or the change in the name of the trustee, if material; rating changes; incurrence of a "financial obligation" of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation, any of which affect security holders, if material; and any default, event of acceleration, termination event, modification of terms or other similar events under a financial obligation of the Issuer, if any such event reflects financial difficulties.

Section 3. Amendments. The Issuer reserves the right to amend this Agreement as may be necessary or appropriate to achieve its compliance with any federal securities law or rule or to cure any ambiguity, inconsistency or formal defect or omission, and, if a change in circumstances arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or type of business conducted by the Issuer, to address any such change in circumstances. Any such amendment shall not be effective unless and until the Issuer shall have received: (a) a written opinion of bond or other independent special counsel expert in federal securities laws that this Agreement (as amended) would have complied with the requirements of the Rule at the time of the primary offering of the Notes, after taking into account any amendments to or interpretations of the Rule, as well as any change in

circumstances, and (b) a written opinion of bond counsel or the holders or beneficial owners of at least 25% in aggregate principal amount of the Notes then outstanding, that the amendment would not materially impair the interests of holders or beneficial owners or, if the amendment would materially impair the interests of holders or beneficial owners, the written approval of the amendment by all of the holders and beneficial owners of the Notes then outstanding.

Section 4. Default. Any holder or beneficial owner may enforce the Issuer's obligation to provide or cause to be provided a filing that is due in accordance with this Agreement and the Resolutions in the absence of any pertinent filing having been made (disregarding the sufficiency of the filing if a pertinent filing has been made), and holders and beneficial owners also may take actions or proceedings under applicable law to enforce any other obligations of the Issuer under this Agreement and the Resolutions made for purposes of the Rule (including any obligation as to the sufficiency of any filing that is made); provided, that the right of the beneficial holders or owners to enforce any provision of this Agreement, or the agreement made by the Issuer in the Resolutions for purposes of the Rule, shall be limited to a right to obtain specific enforcement of the Issuer's obligations hereunder.

Section 5. Non-Appropriation. The performance by the Issuer of its obligations under this Agreement and the Resolutions shall be subject to the availability of funds and their annual appropriation to meet costs the Issuer would be required to incur in their performance.

Section 6. Termination. The obligations of the Issuer under this Agreement shall remain in effect only for such period that the Notes are outstanding in accordance with its terms and the Issuer remains an obligated person with respect to the Notes within the meaning of the Rule.

IN WITNESS WHEREOF, the Issuer has caused this Agreement to be duly signed and delivered on its behalf by the City Comptroller of the Issuer, all as of the date set forth above, and the holders and beneficial owners from time to time of the Notes shall be deemed to have accepted this Agreement and the agreement made by the Issuer in the Resolutions for purposes of the Rule, upon acquisition and acceptance of any interest in the Notes.

Dated: August 20, 2026

CITY OF PEEKSKILL,
NEW YORK

By: _____
City Comptroller

OFFICIAL STATEMENT

CITY OF PEEKSKILL
WESTCHESTER COUNTY, NEW YORK

$7,465,946* PUBLIC IMPROVEMENT SERIAL BONDS – 2026 SERIES B
and
$5,138,000 BOND ANTICIPATION NOTES – 2026

This Official Statement and appendices thereto present certain information relating to the City of Peekskill, in the State of New York (the "City" and "State," respectively) in connection with the sale of $7,465,946* Public Improvement Serial Bonds – 2026 Series B (the "Bonds") and $5,138,000 Bond Anticipation Notes – 2026 (the "Notes").

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

THE BONDS

Description of the Bonds

The Bonds will be dated August 20, 2026, and will mature on August 15 in each of the years 2027 to 2043, inclusive, in the principal amounts as set forth on the inside cover page hereof.

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

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

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

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

The City will act as Paying Agent for the Bonds. The City's contact information is as follows: Toni Tracy, City Comptroller, City of Peekskill, City Hall, 840 Main Street, Peekskill, New York 10566, telephone number (914) 737-3400, email: ttracy@cityofpeekskill.com.

Authorization and Purpose

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Local Finance Law and various serial bond resolutions adopted by the Common Council of said City on the dates and for the purposes set forth below. The proceeds of the Bonds, plus available funds of the City in the amount of $125,000, will be used to redeem a portion of bond anticipation notes in the amount of $11,590,946, which mature on August 21, 2026, the proceeds of which were used to finance or refinance the purposes described below.

Date of Authorization	Purpose	Amount Outstanding	Amount to be paid	Total Amount to be Issued
01/25/2021	Acquisition, Construction and Reconstruction of Improvements to Oakwood Drive	$1,450,000	$125,000	$1,325,000
02/24/2025	Acquisition of (2) Fire-Fighting Vehicles	2,864,946	0	2,864,946
05/12/2025	Planning for Various Improvements	120,000	0	120,000
05/12/2025	Acquisition of Motor Vehicles	418,000	0	418,000
05/12/2025	Acquisition of a City Bus	160,000	0	160,000
05/12/2025	Acquisition of Computer Cameras	60,000	0	60,000
05/12/2025	Acquisition of Machinery Apparatus for Construction and Maintenance	2,085,000	0	2,085,000
05/12/2025	Construction and Reconstruction of City Buildings	215,000	0	215,000
05/12/2025	Parking Deck Lighting Improvements	65,000	0	65,000
05/12/2025	Stormwater Project Improvements	153,000	0	153,000
	Totals:	$7,590,946	$125,000	$7,465,946

Optional Redemption

The Bonds maturing on or before August 15, 2032 will not be subject to redemption prior to maturity. The Bonds maturing on August 15, 2033 and thereafter will be subject to redemption prior to maturity, at the option of the City, in whole or in part, and if in part, in any order of their maturity and in any amount within a maturity (selected by lot within a maturity), on any date on or after August 15, 2032, at a redemption price equal to the principal amount of the Bonds to be redeemed plus accrued interest to the date of redemption.

Selection of Bonds to be Redeemed

So long as DTC or a successor securities depository is the sole registered owner of the Bonds, the City will cause notice of redemption to be given only to DTC as registered owner. The selection of the book-entry interests within each Bond maturity to be redeemed will be done in accordance with DTC procedures. See "*BOOK-ENTRY-ONLY SYSTEM*" herein regarding DTC's practice of determining by lot the amount of the interest of each Direct Participant for partial bond redemptions.

If the Bonds are not registered in book-entry form, any redemption of less than all of a maturity of the Bonds shall be allocated (in the amounts of $5,000 or any whole multiple) among the registered owners of such maturity of the Bonds then outstanding as nearly as practicable in proportion to the principal amounts of such maturity of the Bonds owned by each registered owner. This will be calculated based on the following formula:

$$\frac{\text{(principal to be redeemed)} \times \text{(principal amount owned by owner)}}{\text{(principal amount outstanding)}}$$

Notice of Redemption

Notice of redemption shall be given by mailing such notice to the registered holders of Bonds to be redeemed at their respective addresses as shown upon the registration books of the City as Paying Agent not more than 60 days but not less than 30 days prior to the date set for any such redemption. If notice of redemption shall have been given as aforesaid, the Bonds so called for redemption shall become due and payable at the applicable redemption price on the redemption date designated in such notice, and interest on such Bonds shall cease to accrue from and after such redemption date.

THE NOTES

Description of the Notes

The Notes will be dated August 20, 2026 and will mature, without right of redemption prior to maturity, on August 20, 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 City Comptroller in Peekskill, 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, with one necessary odd denomination. 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 City 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 City Clerk will act as Paying Agent for the Notes. The City's contact information is as follows: Toni Tracy, City Comptroller, City of Peekskill, City Hall, 840 Main Street, Peekskill, New York 10566, telephone number (914) 737-3400, email: ttracy@cityofpeekskill.com.

Optional Redemption

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

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 serial bond resolutions adopted by the Common Council of said City on the dates and for the purposes set forth below. A portion of the proceeds of the Bonds, plus available funds of the City in the amount of $125,000, will be used to redeem a portion of bond anticipation notes in the amount of $11,590,946, which mature on August 21, 2026, the proceeds of which were used to finance or refinance the purposes described below. The remaining portion shall be used to provide new monies for such purposes.

Date of Authorization	Purpose	Amount Outstanding	Amount to be paid	Total Amount to be Issued
07/13/2026	Acquisition of Motor Vehicles	$ 0	$ 0	$ 440,000
05/27/2025	Construction and Reconstruction of City Parking Structures	4,000,000	0	4,000,000
07/13/2026	Acquisition of Machinery and Apparatus	0	0	698,000
	Totals:	$4,000,000	$0	$5,138,000

NATURE OF OBLIGATION

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

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

Under the Constitution of the State, the City is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds and the Notes, and the State is specifically precluded from restricting the power of the City to levy taxes on real estate therefor. The State Constitution requires the City to provide by appropriation for the payment of interest on all obligations which will become due during the fiscal year. In addition, the State Constitution requires the City to provide in each year by appropriation for the payment of all installments of principal of the Bonds and the Notes which will become due and payable in such year.

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

BOOK-ENTRY-ONLY SYSTEM

DTC will act as Securities Depository for the Bonds and the Notes, if so selected by the purchaser(s). As such, the Bonds and the Notes will be issued as fully registered securities, 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 bond certificate will be issued and deposited with DTC for each maturity of each series of the Bonds. One registered note certificate will be issued for each note bearing the same rate of interest and CUSIP number and will be deposited with DTC.

DTC is limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilities the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of certificates.

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

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

To facilitate subsequent transfers, all Bonds and the Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds and 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 Bonds and the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds and the Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping accounts of their holdings on behalf of their customers.

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

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

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

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

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

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

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

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

CONTINUING DISCLOSURE UNDERTAKING

The Bonds

This Preliminary Official Statement is in a form "deemed final" by the City for the purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). At the time of the delivery of the Bonds , the City will provide an executed copy of its "Undertaking to Provide Continuing Disclosure" (the "Undertaking"). Said Undertaking will constitute a written agreement or contract of the City for the benefit of holders of and owners of beneficial interests in the Bonds , 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 or to the functions of such Board contemplated by the Undertaking:

(1) (i) certain annual financial information, in a form generally consistent with the information contained or cross-referenced under the headings: "THE CITY", "ECONOMIC AND DEMOGRAPHIC INFORMATION", "INDEBTEDNESS OF THE CITY", "FINANCES OF THE CITY", "REAL PROPERTY TAX INFORMATION", and "LITIGATION", no later than the end of the sixth month after the end of each fiscal year, commencing with the fiscal year ending December 31, 2025 and (ii) the audited financial statement, if any, of the City for each fiscal year commencing with the fiscal year ending December 31, 2025, on or prior to the end of the sixth month after the end of such fiscal year, provided however, that if financial statements are not then available, unaudited financial statements shall be provided with the annual information, and audited financial statements, if any, shall be delivered to the EMMA System within thirty (30) days after they become available and in no event later than 360 days after the end of such fiscal year.

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

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 or determinations with respect to the tax status of the Bonds, or other material events affecting the tax- status of the Bonds;

vii. modifications to rights of Bondholders, if material;

viii. bond calls, if material and tender offers;

ix. defeasances;

x. release, substitution, or sale of property securing repayment of the Bonds and the Notes;

xi. rating changes;

xii. bankruptcy, insolvency, receivership or similar event of the City [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 City 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 City, 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 City;

xiii. the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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 City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect Bondholders, 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 City, 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 service reserves" will be established for the Bonds.

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

The City may from time to time choose to provide notice of the occurrence of certain other events in addition to those listed above, if the City determines that any such other event is material with respect to the Bonds but the City does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

(3) in a timely manner, notice of its failure to provide the annual financial information and such audited financial statement, if any, on or before the date specified.

The City's Undertaking shall remain in full force and effect until such time as the principal of, redemption premiums, if any, and interest on the Bonds shall have been paid in full or in the event that those portions of the Rule which require the Undertaking, or such provision, as the case may be, do not or no longer apply to the Bonds. The sole and exclusive remedy for breach or default under the Undertaking is an action to compel specific performance of the Undertakings of the City, and no person or entity, including a Holder of the Bonds, shall be entitled to recover monetary damages thereunder under any circumstances. Any failure by the City to comply with the Undertaking will not constitute a default with respect to the Bonds.

The City 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.

The Notes

At the time of the delivery of the Notes, the City will provide an executed copy of its Continuing Disclosure Agreement with respect to the Notes substantially as set forth in Appendix C.

Compliance History

The following table sets forth the dates of the annual filings for each of the five preceding fiscal years.

On July 7, 2025, the City filed a material event notice for the failure to file its unaudited financial statements for the fiscal year ended December 31, 2024.

On January 9, 2026, the City filed a material event notice for the failure to file its audited financial statements for the fiscal year ended December 31, 2024.

On July 2, 2026, the City filed a material event notice for the failure to file its audited financial statements for the fiscal year ended December 31, 2025.

TAX LEVY LIMITATION LAW

On June 24, 2011, Chapter 97 of the Laws of 2011 which created Section 3-c of the General Municipal Law was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to all local governments, including school districts (with the exception of New York City, and the counties comprising New York). It also applies to independent special districts and to city and county improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limitation 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 or 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 permissible 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. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of its fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for such 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 Law (June 24, 2011).

Article 8 Section 2 of the State Constitution requires every issuer of general obligation notes and bonds in the State to pledge its faith and credit for the payment of the principal thereof and the interest thereon. This 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 that is what courts have held they mean."

Article 8 Section 12 of the State Constitution specifically provides as follows:

> "It shall be the duty of the legislature, subject to the provisions of this constitution, to restrict the power of taxation, assessment, borrowing money, contracting indebtedness, and loaning the credit of counties, cities, towns and villages, so as to prevent abuses in taxation and assessments and in contracting of indebtedness by them. Nothing in this article shall be construed to prevent the legislature from further restricting the powers herein specified of any county, city, town, village or school district to contract indebtedness or to levy taxes on real estate. The legislature shall not, however, restrict the power to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted."

On the relationship of the Article 8 Section 2 requirement to pledge the faith and credit and the Article 8 Section 12 protection of the levy of real property taxes to pay debt service on bonds and notes subject to the general obligation pledge, the Court of Appeals in the Flushing National Bank case stated:

> "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 of 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 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 municipalities.

Therefore, 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 the 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 is not clear.

It is possible that the Tax Levy Limitation Law will be subject to judicial review to resolve the constitutional issues raised by its adoption. Although courts in New York have historically been protective of the rights of holders of general obligation debt of political subdivisions, the outcome of any such legal challenge cannot be predicted.

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors' Provision

The Bonds and the Notes when duly issued and paid for will constitute a contract between the City and the holder thereof. Under current law, provision is made for contract creditors of the City 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 City 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 Bonds and the Notes in the event of a default in the payment of the principal of and interest on the Bonds and 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 City may not be enforced by levy and execution against property owned by the City.

Authority to File for Municipal Bankruptcy

The Federal Bankruptcy Code allows public bodies, such as counties, cities, 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.

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 Bonds and the Notes should the City 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 Bonds and the Notes to receive interest and principal from the City could be adversely affected by the restructuring of the City'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 City (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 City 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 City 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 City.

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 a court order after a hearing. If not approved, the proposed plan must be amended within ten days or else the stay is vacated and claims including debt service due or overdue must be paid. It is at the discretion of the court to permit additional filings of amended plans and continuation of any stay during such time. A stay may be vacated or modified by the court upon motion of any creditor if the court finds after a hearing, that the municipality has failed to comply with a material provision of an accepted repayment plan or that due to a "material change in circumstances" the repayment plan is no longer in compliance with statutory requirements.

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

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

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

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

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

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

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

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

Several municipalities in the State are presently working with the FRB. The City is presently not working with the FRB, nor does it reasonably anticipate the need to do so.

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 and noteholders, 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 City indebtedness is past due. The City has never defaulted in the payment of the principal of and interest on any indebtedness.

THE CITY

There follows in this Official Statement a brief description of the City, together with certain information concerning its governmental organization, economy, indebtedness and finances.

General Information

The City is situated in the northwestern corner of the County of Westchester along the banks of the Hudson River, approximately 35 miles north of New York City. The City encompasses a land area of 4.5 square miles and is essentially residential in nature, however, the City serves as a financial and commercial center for northern portions of the County as well as southern Putnam County.

The City has three miles of shoreline, a culturally diverse population, a vibrant downtown with exciting restaurants and entertainment, a thriving school system, extensive recreation and entertainment facilities, easy access to New York City and a full range of housing options. Within its 4.5 square miles, over 110 miles of streets and roads, 52 miles of sanitary sewer lines, 59 water mains, 48 miles of storm drains, 31 traffic signals and 1,589 streetlights are maintained. The present City Hall is an historic building, built in 1936. The City also has a police station, six fire stations, 19 park and recreation facilities encompassing over 300 acres, a senior citizens center, a commuter railroad station, 16 public parking structures or lots, a water plant, and a central maintenance garage.

The Government of the City

The City was incorporated in 1940 and has the powers and responsibilities inherent in the operation of a municipal government, including independent taxing and debt issuance authority. Subject to the provisions of the State Constitution, the City operates under a charter adopted on March 29,1938, and in accordance with other statutes, including General City Law, General Municipal Law, the Local Finance Law and the Real Property Tax Law, to the extent that these statutes apply to a City operating with a charter. In its charter, the City has elected to have a managerial form of government. The City Manager, who is appointed by and serves at the pleasure of the Common Council, serves as the chief executive officer of the City. The Common Council is vested with all legislative authority.

Elected and Appointed Officials

The Common Council is the legislative body of the City and consists of six members elected at large for a term of four years, plus the Mayor. It is the responsibility of the Common Council to approve, by resolution, all legislation, including ordinances and local laws, adopt and modify, as required, operating and capital budgets, levy real property taxes and authorize the issuance of all indebtedness.

The Mayor, elected at a general election for a two-year term and eligible to succeed himself or herself, is the presiding member of the Common Council, and is eligible to vote on all matters.

As noted in the preceding section, the City Manager is appointed by the Common Council and serves at its pleasure. The City Manager is the chief executive officer and responsible for the City's day-to-day operations. In addition, the City Manager is an ex-officio, non-voting member of the Common Council. Subject to the approval of the Common Council, the City Manager appoints all department heads. Under the City Charter, the City Manager is designated as the City budget officer responsible for preparing annual operating budgets and the City's capital program.

The City Comptroller, who is appointed by the City Manager, is the chief fiscal officer and has custody of all City funds and is responsible for the collection of taxes. Accounting records are maintained by the Comptroller's office; budgetary control is the joint responsibility of the City Manager and City Comptroller. Pursuant to the City Charter and, as provided in the Local Finance Law, the Comptroller coordinates the issuance of all City indebtedness.

City Services

The City is responsible for and maintains police, fire, sanitation and water services, along with streets, library and various park and recreational facilities. Pursuant to State law, the County, not the City, is responsible for providing health and social services. Sewage treatment is also provided by the County.

Education is provided by two separate and independent public-school districts located within the City. The Peekskill City School District is essentially coterminous with the City, however, a small section in the southeast corner of the City is in the Hendrick Hudson School District. Each school district has separately elected governing bodies and both have independent taxing and debt issuance powers. The City Comptroller acts as the school tax collector for all properties situated within the City's boundaries. According to State law, the City must remit 100% of the school tax levy to the respective districts not later than two years after the levy date. The City has agreed to accelerate these payments whereby its pays the full amount of the levy by August 31st next succeeding the year of levy. Unpaid school taxes are enforced by the City in the same manner as delinquent City taxes. See "Real Property Taxes – Tax Collection Procedure and History," herein.

Related Entities

Any debt of the entities listed under the heading "related entities" does not constitute a debt, obligation, liability or other responsibility of the City.

Peekskill Community Development Agency

Pursuant to Article 15-A of the General Municipal Law, the City established an urban renewal agency in 1964. The name of the agency was formally changed to the Peekskill Community Development Agency (the "Agency") by the State legislature during its 1974 session. This action coincided with the enactment of the Community Development Act of 1974, which supplanted urban renewal while changing the emphasis from demolition and rebuilding to preservation of existing structures and facilities.

Article 15-A of the General Municipal Law authorized the creation of urban renewal (community development) agencies for the purpose of undertaking projects designed to correct substandard, unsanitary, blighted or deteriorating conditions affecting communities within the State. The Agency constitutes a body corporate and politic, perpetual in duration, and possesses the following express powers: the ability to borrow money or issue notes as provided in the Local Finance Law, the ability to acquire real property by purchase or otherwise, the ability to accept grants or other forms of assistance from the federal and State governments, as well as from public or private sources, and to provide for demolition and site clearance necessary to effectuate development plans. In addition, the Agency has such implied powers as are required to conduct its programs, but which are not otherwise inconsistent with the general provisions of law. The governing board is comprised of the Mayor, who is the chairman according to the enabling statute, and the six members of the Common Council.

In 1976, the urban renewal program was phased out and the City assumed full responsibility for the administration of the successor community development program. The Agency has perpetual existence and therefore continues as a legal entity but is otherwise inactive. All housing and community development related activities, except for public housing, are now run by the City's Department of Planning and Development (the "Department"). In addition to community development, the Department also administers the Small Cities program (neighborhood stabilization and economic development). Section 8 Rehabilitation activities, which involves rent subsidies designed to encourage landlords to renovate substandard properties is administered by the Section 8 Department. Other federal programs with basically similar objectives are also the responsibility of the Department.

Peekskill Housing Authority

Public housing in the City is the responsibility of the Peekskill Housing Authority (the "Authority"), an independent government agency created in 1947 pursuant to New York State Public Housing Law. The Authority is governed by a seven-member board of trustees of which the Mayor appoints five members to serve five-year terms, and the remaining two board members are elected by local tenants for two-year terms. An executive director is appointed by the board and manages the day-to-day activities of the Authority. Authority offices are maintained at 807 Main Street, Peekskill, New York 10566.

The Authority, which is federally subsidized, administers 282 safe, decent and affordable housing units for moderate/low-income families. Programs are designed to provide safe and decent shelter at reasonable prices. Properties currently managed by the Authority include Bohlmann Towers, which has 144 units, Dumbar Heights, with 96 units, 3 "turnkey" sites with 33 multiple housing units, and 5 private houses with a total of 9 units.

Peekskill Industrial Development Agency

The Peekskill Industrial Development Agency ("PIDA") was created in 1974 pursuant to a special act of the State legislature under Article 18-A of the General Municipal Law. In accordance with this statute, PIDA promotes, develops and assists in various industrial and commercial projects that advance job opportunities and improve the quality of life for the residents of the City. In furtherance of these objectives, PIDA may issue bonds or notes which are special obligations of PIDA, payable solely from revenue derived from the leasing, sale or other disposition of a project, subject only to any agreements with holders of particular bonds or notes pledging any particular moneys or revenues. The State has provided that interest income from such obligations shall be exempt from taxation, except for transfer and estate taxes. Obligations of PIDA do not constitute a debt of the State or the City, and neither the State or City is liable for payment of principal or interest thereon.

PIDA is governed by a seven-member board that is appointed by the Common Council and serves at the Council's pleasure. A member shall continue to hold office until a successor is appointed and qualified. The powers of the board are prescribed by the General Municipal Law and include: the appointment of officers, agents and employees, ability to borrow money or issue bonds and notes, power to enter into leases, contracts and agreements, the ability to acquire real property and equipment related to authorized projects, and all things necessary to carry out the powers expressly granted by law. The PIDA shares Board Members and Staff with the Peekskill Facilities Development Corporation and the Peekskill Local Development Corporation with Mission, By-Laws, and various operating policies are available at:
https://www.cityofpeekskill.com/sites/g/files/vyhlif3656/f/uploads/mission_statement_form_for_submission_2022_0.pdf. The PIDA maintains its offices at City Hall, 840 Main Street, Peekskill, New York 10566.

The PIDA Board selects an Executive Director who is currently the City Economic Development Specialist who, as such, supervises administrative matters. The PIDA Deputy Executive Director and Treasurer are also appointments of other City Staff. All agreements, contracts, deeds or any other instruments on behalf of PIDA shall be signed by the Executive Director unless otherwise provided; disbursement checks are co-signed by the Executive Director and the PIDA Treasurer. All Projects for which a PILOT agreement is being considered must receive the approval of the City Common Council.

In cooperation with the County Industrial Development Agency, PIDA developed more than 90 acres of land in the Charles Point area of the City. The center piece of this project is a refuse-to-energy resource recovery plant capable of processing 2,250 tons of solid waste each day. (See "Other Entities – Westchester Resco (Resource Recovery Facility)" below.). In addition, an industrial development park was built on the remaining available land (about 60+ acres). Other PIDA projects have included affordable and market rate housing, mixed use buildings, hotel, manufacturing and commercial facilities. PIDA offers financial incentives, such as tax-exempt loans, to induce firms to locate within the City and infrastructure studies, feasibility studies and public infrastructure investments, and includes funding for workforce development initiatives. (See "Economic and Demographic Information – Development Activities," herein).

Facilities Development Corporation

The Peekskill Facilities Development Corporation (PFDC) is a public benefit corporation created to promote, coordinate and execute programs in the City aimed at improving the quality of life and economic vitality and opportunities for the City's inhabitants. PFDC is managed by the same staff as the PIDA, and activities include obtaining and implementing Federal and State Grant Programs to implement rehabilitation for businesses and buildings and for implementing other economic development projects.

Local Development Corporation

The Peekskill Local Development Corporation (the "Corporation") is a public benefit corporation created to promote, coordinate and execute programs in the City aimed at improving the quality of life for the City's inhabitants. Members of the Corporation are appointed by the Common Council for a specified term. Corporation members have complete responsibility for management of the Corporation and accountability for fiscal matters. The City is not liable for debt of the Corporation.

Business Improvement District

The Peekskill Business Improvement District ("BID") is an entity established by the Common Council to encourage and promote business development in the downtown area. A district management association is appointed by the Common Council for a specified term. Association members have complete responsibility for management and accountability for fiscal matters. The City levies a tax on properties within the BID to pay various expenses of operating the BID but does not issue debt on its behalf.

Other Entities

The County

The County historically funds and administers social services and mental health programs. In addition, the County operates a Medical Center at Valhalla and an airport in Purchase, New York. The County also has an extensive endowment of recreational facilities ranging from the Playland Amusement Park to the Pound Ridge Reservation, a forest reserve. A two-year community college is also sponsored by the County.

County Industrial Development Agency

The County Industrial Development Agency (the "County IDA") was established in 1977 as a corporate governmental agency, constituting a public benefit corporation of the State pursuant to Article 18-A of the General Municipal Law. The County IDA is authorized to promote, attract, encourage and develop economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration, to acquire and lease or sell projects, including machinery and equipment, which are suitable for manufacturing, warehousing, research, commercial or industrial purposes or for the purpose of controlling, abating or preventing land, sewer, water, air, noise or general environmental pollution deriving from the operation of industrial manufacturing, warehousing, commercial and research facilities. In order to discharge its responsibilities and fulfill the purposes mentioned above, the County IDA may offer various financing plans to applicants and to sell bonds and notes for these purposes.

The County IDA Board is composed of five members appointed by the County Executive of the County on the advice and consent of the County Legislature. The operating staff of the County IDA includes professions in the field of economics and finance. The County IDA maintains offices at the County Office Building in White Plains, New York.

The County IDA issued tax-exempt bonds to finance a portion of the costs for a resource recovery co-generation facility located in the City. The facility is operated by Westchester Resco Company L.P. in accordance with its lease with the County IDA. Debt service on the bonds and notes are paid from the rental proceeds under this agreement.

The County IDA issued tax-exempt bonds and notes to finance a portion of the costs for a resource recovery co-generation facility located in the City. The facility is operated by Westchester Resco Company L.P. in accordance with its lease with the County IDA. Debt service on the bonds and notes are paid from the rental proceeds under this agreement.

Westchester Resco (Resource Recovery Facility)

Pursuant to an agreement between the County IDA and Westchester Resco, L.P., a Delaware limited partnership (the "Company" or "Resco"), a resource recovery plant was constructed on a 25-acre parcel of land in the City, adjacent to the Hudson River. The plant began commercial operations in 1984. Terms of the original agreement provided that the Company lease, operate and maintain this facility until October 21, 2009. The County and the Company executed a new solid waste disposal service agreement which became effective on October 22, 2009. Such agreement expires on the earlier of October 22, 2034 or the termination of the agreement.

The resource recovery facility is designed to process 2,250 tons of solid waste a day, using a mass-burn process developed by Von Roll Ltd., of Zurich, Switzerland. Steam captured from the burning of solid waste is used to generate electricity. The system also allows for the recovery of ferrous metals from the residual ash.

A special County Refuse District (the "Refuse District") was formed for the purpose of collecting and delivering solid waste to the resource recovery plant. The Refuse District includes 36 of the County's 43 municipalities. Each of the participating members collects residential and low-volume commercial waste within their boundaries. Private carters are responsible for most of the commercially generated refuse. It is estimated that the 36 municipalities making up the Refuse District account for 70+% of all municipally generated solid waste.

The Refuse District and the County IDA have an agreement which obligates the Refuse District to deliver a minimum of 400,000 tons of solid waste to the plant each year. A similar agreement between the Company and the County IDA stipulates that the Company must accept up to a maximum of 550,000 tons of solid waste from the Refuse District each year. The Company's permit allows for 710,000 tons of solid waste to be processed annually.

Under the aforementioned service agreements, the Refuse District members currently pay tipping fees of $25.31 per ton for non-organic waste. A separate charge of $15.00 per ton is assessed for organic waste. The fee is adjusted each year in accordance with the movement of certain indices. If the tipping fee is insufficient to meet its obligation to the County IDA, the Refuse District has covenanted to levy a property assessment within the Refuse District to make up any deficiency. The Company may, if necessary, offer reduced tipping fees for non- Refuse District solid waste in order to attract the additional waste needed to run the plant at capacity.

The primary source of revenue for the Company comes from the sale of electricity to Consolidated Edison. An agreement between the Company and Consolidated Edison obligates the latter to purchase the net electricity produced by the plant for a period ending on the 25th anniversary of the date on which the plant began operations. The price to be paid by Consolidated Edison for the electricity is generally determined by the costs avoided as a result of the agreement. A special provision in the agreement between the Company and Refuse District guarantees the Company a minimum of 6 cents per kilowatt hour. The Company currently receives 15 cents per kilowatt hour of which approximately 9 cents is paid by the Refuse District.

The site for the resource recovery plant is being leased by the County IDA under a 1980 agreement among the County IDA, PIDA and the City. Pursuant to the terms of this agreement, the County IDA lease runs until the year 2079. Such agreement may not be canceled, surrendered, modified or amended without the prior consent of the trustee for bonds during such period of time that any bonds issued by the County IDA to finance the plant remain outstanding and unpaid. The agreement further stipulates that, in the event of any default by the County IDA thereunder, no right of re-entry or to re-take possession of the plant site may be exercised.

In consideration of the terms and conditions of the lease agreement, the County IDA pays rentals and amounts in lieu of taxes as prescribed by sections three and four of such agreement. (See "Discussion of Financial Matters – Revenues" for further information on payments in lieu of taxes received by the City).

Lease payments are an element of the service charges paid to the County IDA by the Refuse District in accordance with the service agreement between the two parties. The Refuse District pays that portion of the service charge attributable to the site lease directly to the trustee for the bonds originally issued to finance the Refuse District's facilities. Payment must be made to such trustee for as long as such bonds remain outstanding under the bond indenture. The trustee subsequently pays to the City and PIDA, as their respective interests appear, all amounts received on account of the site lease agreement. Pursuant to a separate agreement, the City, PIDA, the Peekskill City School District and the Hendrick Hudson Central School District have agreed that the moneys received for the site lease will be divided among the City and the two school districts serving the City by PIDA, according to the terms of the lease agreement. The City receives 50% of all lease rentals, while the school districts divide the remaining 50% in an approximate ratio of 80% to the Peekskill City School District and 20% to the Hendrick Hudson Central School District.

Employees

The City currently provides services through approximately 201 full-time and permanent part-time employees. The following table gives the number of budgeted and authorized employment positions from 2021-2025.

Year	Number of Positions
2021	201
2022	218
2023	205
2024	206
2025	201

Employees Bargaining Unit	Membership	Expiration Date
Teamsters Local 456 (White)	42	12/31/2026
Teamsters Local 456 (Blue)	55	12/31/2026
Paid Firemen's Association	32	12/31/2027
Peekskill Police Association	55	12/31/2026

Financial Institutions

The City is a financial banking center for the northern portion of the County. Commercial banks within the City include JPMorgan Chase Bank N.A., Orange Bank & Trust, PCS Bank, Signature Bank, TD Bank, M&T Bank, Peoples United Bank N.A., and Wells Fargo Bank, N.A.

Communications

The City is served by the New York metropolitan newspapers, radio and television stations. In addition, the City has the County's daily newspaper entitled The Journal News and its own weekly newspaper. There are also two local radio stations, WLNA-AM and WHUD-FM, that serve the City in providing local news and current events. Cablevision provides cable television and other media services.

Utilities

City residents receive electric and natural gas services from the Consolidated Edison Company. The Power Authority of the State of New York supplies electricity to meet the operational need of the City itself.

Local telephone service to the City is provided by Verizon, which together with various telecommunication companies, provide long-distance and internet services.

The City owns and operates its own water system. Its source of water is the Peekskill Hollow Brook and various tributaries which provide a watershed of approximately 47 square miles. Approximately 8.5% of the income of the City's water fund is derived from sales to surrounding communities. The City has constructed a new water filtration plant at a cost of approximately $37 million.

Sewage is collected by the City for treatment at a facility owned and operated by the Peekskill Sanitary Sewer District, which is a special improvement district established and maintained by the County.

Transportation

The City is served by a transportation network consisting of all major forms of transportation. Several primary State and U.S. highways including U.S. Routes 6, 9, and 202 run through the City. In addition, the Taconic State Parkway (restricted to passenger vehicles) and the New York State Thruway may be reached within 15 minutes and 30 minutes, respectively. The Metro North Railroad provides passenger rail services; freight service is the responsibility of Conrail. Air transportation is available at the County airport as well as the three major New York airports (Kennedy, LaGuardia and Newark) which are to the south of the City and may be reached in approximately one hour by automobile. Stewart Airport in Newburgh is about 40 minutes from the City.

Educational, Cultural and Medical Institutions

Educational

There are numerous colleges, universities and vocational schools located throughout the County. The County itself maintains a publicly supported community college, which is a two-year institution offering open enrollment for high school graduates meeting certain residency requirements. A branch of the County's community college opened in the City in 1993. Courses of general academic study are available at the City campus, and, in addition, the campus is home to the Westchester Art Workshop – a specialized program for computer art and graphics and multi-media communication.

Cultural

The Field Library (the "Library"), a free association library organized under the State Education Law, provides library services to City residents and a special children's department provides a wide assortment of programs and services to children using the Library. An 1,800 square foot addition to the children's department was built in 2001. The Library houses approximately 80,000 books and reference publications, including subscriptions of more than 290 nationally known magazines. In addition, the Library regularly receives 16 local, regional and national newspapers. A state-of-the-art personal computer laboratory provides ready access to the Internet and other on-line services. The Library has a multi-media collection of audio and video tapes as well as CDs and DVDs. Books on tape are also available from the Library. The Library has a collection of rare and valuable collectibles with local historical significance. The Library is a member of the Westchester Library System and maintains an internet website at www.peekskill.org.

Other cultural resources in the City include the Herrick House, which is the headquarters for the Peekskill Museum and contains revolutionary and civil war history and artifacts. The City also owns the Paramount Theater, which was recently renovated. Officially known as the Paramount Center for Performing Arts, the theater seats 1,000 persons and conducts a full range of programs from symphonic orchestras to off-Broadway shows. A building adjacent to the theater was acquired by the City to provide additional space for various programs compatible with the theater's role as a performing arts center.

Medical

Hospital services are provided to residents of the City and surrounding area by the New York Presbyterian/Hudson Valley Hospital, a 128-bed general hospital facility offering inpatient and outpatient care services with a team of 350 physicians and 1300 employees. The hospital is located in the adjacent Town of Cortlandt. Ambulatory patients may receive treatment at the Hudson River Health Center. More extensive medical care is available at facilities located in the central portion of the County at the County Medical Center at Valhalla, about 20 miles from the City.

ECONOMIC AND DEMOGRAPHIC DATA

This section of the Official Statement presents various statistics on the City's population, income, employment economic development and services. Certain information is provided for the County as a whole and, as such, is not necessarily representative of the City.

Population

Year	City of Peekskill	County of Westchester	State of New York
2000	22,441	923,459	18,976,457
2010	23,583	949,113	19,378,102
2020	24,111	968,738	19,514,849
2023	25,484	990,817	19,571,216
2024	25,442	1,006,447	19,867,248

Source: U.S. Bureau of the Census.

Income Data

	Per Capita Income			
	2000	2010	2020	2024[a]
City of Peekskill	$22,595	$29,530	$34,300	$48,688
County of Westchester	37,733	68,057	110,068	130,834
State of New York	53,590	57,176	70,395	85,733

	Median Household Income			
	2000	2010	2020	2024[a]
City of Peekskill	$52,645	$57,784	$66,067	$91,042
County of Westchester	63,582	79,619	99,489	118,411
State of New York	43,393	55,603	71,117	82,095

Source: United States Department of Commerce, Bureau of the Census.

a. Based on American Community Survey 5-Year Estimate (2020-2024)

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Economic Development

Peekskill is seeing significant public and private investment from entrepreneurs, small business owners, and sectors such as health care, multimedia, food service and the arts, which are driving investment and expanding job opportunities. In addition to many small ongoing business investments that are crucial to the City's expansion, there are a number of major projects that have recently been completed and are in the works:

Private Investment	Value	Number of Units	Other Uses/ Comments
Completed:			
1 Park Place	$55,000,000	181 Residential Units	12 Retail Units
HRH Care Expansion	7,000,000	N/A	Affordable Healthcare
The Lofts on Main	20,000,000	75 Residential Units	4 Retail Units
Peekskill Central Market Historic Rehabilitation	3,000,000	N/A	100-Seat Theater/ 12 Retail Kiosk Spaces
Fort Hill New Construction and Historic Rehabilitation	50,000,000	178 Residential Units	42 Room Inn, Spa, & Restaurant
Gateway Town Homes	5,000,000	16 Residential Units	Market Rate/ Affordable
Crompond Senior Housing	12,500,000	52 Residential Units	Low/Moderate Income
Main Street Commons	3,000,000	N/A	25,000 sq. ft. Retail
Blue Mountain Plaza Shopping Center	4,000,000	N/A	Renovation of Retail Space
McHale Pest Control Training	2,000,000	N/A	New Business Facility
Peekskill Power and Repair	1,500,000	N/A	New Retail Building
Eagle Saloon		N/A	Renovation of Retail Space into Themed Pub
N. Dains and Son	1,200,000	N/A	Expansion and Renovation of Regional Lumbar Company
Evening Star Rehabilitation		N/A	Office/Fabrication for Eclectic Precision Lighting, Co.
Spins Hudson/ Factoria Restaurant		N/A	Regional Entertainment Complex, Restaurant and Catering Facility
135 N. Water Street		N/A	Renovation for Retail Space
190 N. Water Street		N/A	Renovation for Retail Space
645 Main Street	51,000,000	82	Construction of 82 unit affordable housing project with structed parking garage
216 S. Division Street		22	New Construction of 22 apartments and 2300 sq. ft. of mixed use retail
1223 Park Street		N/A	Commercial Facility
104 S. Division Street		9	Renovation for 9 Apartments
400 S. Division Street		N/A	Authorization for City School District to occupy building for educational purposes
In Progress			
1060 Lower South Street		N/A	Renovation for Retail Space
White Plains Linen		N/A	Carports
64 Hudson Avenue		N/A	Renovation for a new restaurant and apartments
126 N. James St		N/A	Renovation for the Peekskill Art and Media Center
Lower South Street		231	Construction of 231 residential units and commercial space
505 South Street		51	New construction of 51 market-rate rental units
630 Washington Street		N/A	New Grocery Store
100-106 Smith Street		6	New Apartment building
20 N. Division Street		N/A	Renovation of new restaurant space
979 Main Street		4	New mixed-use building
41 N. Division Street		22	Adaptive reuse of historic building for new residential
Total:	$215,200,000		

The City has an excellent public to private investment ratio: For every $1 in public investment there is $4 in private investment being spent within the City. New development projects are investing in infrastructure upgrades in the project areas; however, additional public investment is needed to replace 100-year-old water and sewer lines. The inventory of properties available for private development ranges from existing retail storefronts with loft style housing on the upper floors to vacant lots where new construction is planned.

In addition to private sector investment, the City secured funding for critical public projects by leveraging grant money from State and federal sources. The following projects have been completed and are improving the City's economic viability and quality of life.

Public Investment	Value	Funding Source	Other Uses/ Comments
Central Fire Station	$15,000,000	City Bonding	New Construction
Fleischmann Pier & Charles Point Park	5,000,000	NYS DOS, City	Major Tourist Destination
Lincoln Visitor Center	3,000,000	NYS ESD	Major Tourist Destination
Louisa Sewage Pump Station	1,500,000	NYS HCR-CDBG	Infrastructure Upgrade
Oakwood Dr. Sewer & Road Improvements	1,600,000	NYS DOT, City	Infrastructure Upgrade
Hollowbrook Pump Station	750,000	NYS HCR- CDBG	Infrastructure Upgrade
Cobra Head Street Light Upgrade	665,000	NYS DOT, City	Infrastructure Upgrade
Parking Meter Upgrade	500,000	NYS DOT, City	Infrastructure Upgrade
Micro-Enterprise Grant	200,000	NYS HCR-CDBG	Funding Assistance to Small Business Start-ups
Zombie Housing Program	100,000	LISC	At-risk Homeowner Assistance & Maintenance of Zombie Properties
Nelson Ave Parking Garage	2,300,000	City Bonding	Renovations
South Street Streetscape	915,000	Federal DOT, City	Improved Streetscape
Brown Street Streetscape	520,000	NYS DOT, City	Improved Streetscape
Route 6 Streetscape	700,000	Federal DOT, City	Improved Streetscape
S. Waterfront Parks & Trails	4,300,000	NYS ESD	Major Tourist Destination
Scenic Hudson Park	3,500,000	NYS ESD, DOS, OPRHP	Major Tourist Destination
Lower South St. Brownsfields	150,000	NYS DEC	17 Acre City Development Site
9 Corporate Dr. Remediation	30,000	NYS DEC	9 Acre City Development Site
City-wide LED Street Lights	650,000	City	City-wide
Solarize Peekskill Campaign	500,000	NYSERDA	Group Purchase of Solar Panels
Main Street Streetscape	540,000	DASNY, City	Improved Streetscape
Pugsley Park	1,300,000	NYS DOS, City	Renovation of Historic Park
Total:	$43,720,000		

These public initiatives are improving the quality of life for the City residents, workers, and business owners, and are also acting as catalysts for new private development.

In recent years, many businesses in the City have added jobs at mostly moderate wage levels. The City's major employers include White Plains Linen (520 jobs), Peekskill City School District (480 jobs), Super Stop & Shop (355 jobs), All County's Putnam Taxi (275 jobs), BASF (271 jobs), Sun River (aka HRH) Health Care (250 jobs), D. Bertoline & Sons Distributors (120 jobs), Emerald Peek Rehabilitation (120 jobs), Wheelabrator Westchester (71 jobs), and All County Transportation (60 jobs). As of July 2020, Per the U.S. Census, the City's median household income is $62,731 and Westchester County's is $98,187, which clearly demonstrates a need to attract higher paying jobs to the City.

Furthermore, smaller additions to the job market have come via investors in food service, multimedia and the arts. With the opening and success of Peekskill's many restaurants, part- and full-time jobs in food service have become increasingly available. This has provided entry-level and college age individuals with employment opportunities.

Within the artist districts, there has been an influx of creative solopreneurs in photography, graphic design, video and sound production, culinary arts, digital media, and other artistic endeavors. It is estimated that the City's artist district has attracted more than 150 "new media" artists to the City in recent years.

HRH Care is expanding its downtown facilities to accommodate the need for affordable, localized health care and has created additional jobs. Hudson Valley Hospital, which is located just outside of the City, recently merged with New York Presbyterian Hospital, and is also expanding access to quality health care and creating jobs. White Plains Linen, since moving to a larger facility on Peekskill's John Walsh Boulevard, has also expanded entry-level employment opportunities.

Average Unemployment Rates (%)

Annual Averages:	County of Westchester (%)	New York State (%)
2018	3.9	4.1
2019	3.8	4.0
2020	8.4	10.0
2021	4.8	6.9
2022	3.1	4.4
2023	3.7	4.5
2024	3.6	4.3
2025	3.3	4.2
2026 (YTD)	3.6	4.5

Source: U.S. Department of Commerce, Bureau of the Census.

Major Private Sector Employers in the Area

Name	Type	Employees
White Plains Linen	Linen Rental	600
Super Stop & Shop	Retail Grocery	397
Sun River Health Care	Health Services	388
Abbey Inn & Spa	Hospitality	175
HRH Healthcare	Health Services	129
BASF	Manufacturing	110
D. Bertolini & Sons Inc.	Food and Beverage	85
Wheelabrator	Manufacturer	67
All County Transportation	Transportation	60
C-Town Town Market	Retail Grocery	50

Source: City Office of Economic Development.

Construction Activity

The following tables provide certain information about construction and demolition activity in the City.

Building Permit and Cost Data
2013-2025

	New Construction		Additions, Alterations, and Repairs			
Year	No. of Permits	Permit Value	No. of Permits	Permit Value	Total Permit Value	Demolitions
2013	4	$4,149,450	102	$1,688,350	$5,837,800	5
2014	3	1,260,000	132	2,131,800	3,391,800	8
2015	14	5,425,200	115	16,455,450	21,880,650	3
2016	4	61,982,550	227	7,808,250	69,790,800	2
2017	128	53,700,000	432	19,534,777	73,234,777	2
2018	146	20,211,000	429	5,214,600	25,425,600	2
2019	15	25,000	1,841	1,707,298	2,232,298	5
2020	2	1,225,000	2,122	14,431,225	15,656,225	2
2021	1303	20,211,000	429	5,214,600	25,425,600	2
2022	15	525,000	1,841	1,707,298	2,232,298	5
2023	3	49,453	1,122	558,909	509,456	4
2024	2	78,357	1,210	540,641	462,284	2
2025	0	0	1,294	488,856	488,856	0
Total:	1639	$169,342,010	11,296	$77,482,054	$246,568,444	42

Residential Building Permit Activity (Dwelling Units)
2013-2025

Year	Construction	Conversions	Demolitions	Net Change
2013	4	0	5	(1)
2014	3	0	8	(5)
2015	14	2	3	13
2016	4	0	2	2
2017	128	0	2	126
2018	146	0	2	144
2019	878	0	5	873
2020	2,124	0	6	2,118
2021	1,303	0	0	1,303
2022	1,321	1	0	1,322
2023	1,122	0	4	1,118
2024	1,210	0	2	1,208
2025	1,294	0	0	1,294
Total:	9,551	3	39	9,515

Source: City Building Department.

INDEBTEDNESS OF THE CITY

Constitutional Requirements

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

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

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

General. The City 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 City 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 City 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 City'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 City to borrow and incur indebtedness subject, of course, to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including the City Law and the General Municipal Law.

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

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution which, in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond resolution, except for alleged constitutional violations. Such practice is recommended by the City's Bond Counsel.

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

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

In addition, under each bond resolution, the Common Council may delegate, and has delegated, power to issue and sell bonds and notes, to the City Comptroller, the chief fiscal officer of the City.

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

Debt Limit. The City has the power to contract indebtedness for any City 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 City 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 City 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 City 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 27, 2026)

Fiscal Year Ended December 31:	Assessed Valuation	State Equalization Rate (%)	Full Valuation
2022	$63,380,546	2.86	$2,216,103,007
2023	63,952,053	2.58	2,478,761,744
2024	64,524,693	2.39	2,699,777,950
2025	65,149,929	2.37	2,748,942,152
2026	65,528,084	2.28	2,874,038,772

Total Five-Year Full Valuation	$13,017,623,625
Average Five-Year Full Valuation	2,603,524,725
Debt Limit - 7% of Average Full Valuation	$182,246,731
Inclusions:	
Outstanding Bonds	
General Purposes	$21,040,000
Water Purposes	5,870,000
Subtotal: Outstanding Bonds	26,910,000
Bond Anticipation Notes	11,590,946
Total Indebtedness	38,500,946
Exclusions:	
Water Purposes	5,870,000
Appropriations for Bonds	755,000
Total Exclusions:	6,625,000
Total Net Indebtedness	31,875,946
Net Debt Contracting Margin	$150,370,785
Per Cent of Debt Contracting Margin Exhausted	17.49%

Debt Service Requirements – Outstanding Bonds [a]

Fiscal Year Ending December 31:	Principal	Interest	Total
2026	$4,105,000	$846,259	$4,951,259
2027	4,270,000	811,699	5,081,699
2028	4,235,000	613,495	4,848,495
2029	1,970,000	473,150	2,443,150
2030	1,760,000	423,475	2,183,475
2031	1,770,000	372,750	2,142,750
2032	1,785,000	320,700	2,105,700
2033	1,800,000	265,125	2,065,125
2034	1,290,000	217,575	1,507,575
2035	1,295,000	177,525	1,472,525
2036	1,310,000	137,250	1,447,250
2037	1,330,000	96,450	1,426,450
2038	610,000	55,200	665,200
2039	630,000	35,400	665,400
2040	645,000	15,075	660,075
2041	120,000	2,400	122,400
Total:	$28,925,000	$4,863,528	$33,788,528

a. Does not reflect payments made to date.

Short-Term Debt

Pursuant to the Local Finance Law, the City is authorized to issue short-term debt, in the form of notes as specified by statute, to finance both capital and operating purposes.

The following table presents a five-year history of the City's short-term indebtedness outstanding at the end of the respective years.

Short-Term Indebtedness Outstanding

	Fiscal Year Ending December 31:				
	2021	2022	2023	2024	2025
Bond Anticipation Notes	$1,850,000	$ 1,750,000	$ 1,650,000	$ 1,550,000	$ 11,590,946
Tax Anticipation Notes	-	-	-	-	-
Total Outstanding Debt	$1,850,000	$1,750,000	$1,650,000	$1,550,000	$11,590,946

As of the date of this Official Statement, the City has $11,590,946 in bond anticipation notes outstanding that mature on August 21, 2026. Additionally, the City has tax anticipation notes outstanding in the amount of $6,000,000 which mature on November 4, 2026.

The Bonds and Notes will convert $7,465,946 of the outstanding $11,590,946 Bond Anticipation Notes into serial bonds. After applying the scheduled principal reduction of $125,000, the remaining $4,000,000 will be renewed as the Notes. In addition, the City will issue $1,138,000 of new-money for various capital purposes, resulting in a total issuance of $5,138,000.

Capital Purposes

Bond anticipation notes may be sold to provide moneys for capital projects once an enabling serial bond resolution has been adopted. Generally, bond anticipation notes are issued in the anticipation of the sale of the bonds at some future date and may be renewed from time-to-time up to five years. Notes may not be renewed after the second year unless there is a principal payment on such notes from a source other than the proceeds of bonds. In no event may bond anticipation notes be renewed after the sale of bonds in anticipation of which the notes were originally issued.

Calculation of Estimated Overlapping and Underlying Indebtedness

Overlapping Units	Date of Report	Percentage Applicable (%)	Applicable Total Indebtedness	Applicable Net Indebtedness
County of Westchester	08/13/2025	1.08	$15,461,572	$11,570,489
School Districts:				
Peekskill City School District	07/31/2025	100.00	43,125,000	43,125,000
Hendrick Hudson Central School District	10/27/2025	8.30	1,677,854	1,677,854
		Totals:	$60,264,426	$56,373,343

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

Debt Ratios

(As of July 27, 2026)

	Amount	Per Capita[a]	Percentage Of Full Value (%)[b]
Total Direct Debt	$37,885,946	$1,489	1.318
Net Direct Debt	27,675,946	1,088	0.963
Total Direct & Applicable Total Overlapping Debt	98,150,372	3,858	3.415
Net Direct & Applicable Net Overlapping Debt	84,049,289	3,304	2.924

a. Estimated population of the City is 25,442.

b. The full valuation of taxable property is $2,874,038,772.

Authorized but Unissued Debt

As of the date of this Official Statement, the City has $7,175,000 in authorized but unissued debt of which $1,138,000 will be issued as new money from the proceeds of the Notes.

FINANCIAL FACTORS

Budget Information

The budget process for the City begins on or before August 1 of each year when the head of each administrative unit submits an estimate of revenues and expenses for the following year to the City Manager. Upon completion of the review of such estimates, the City Manager prepares and files a tentative budget in the office of the City Clerk on or before October 1. The Common Council must review the tentative budget by November 1 and may make changes or revisions that are not inconsistent with the law. A public hearing must be held not later than November 15 at which time members of the community may express their views regarding the preliminary budget. Following the public hearing, the Common Council may make such revisions as might be required but must submit the preliminary budget for adoption on or before December 1 of each year. Budgetary control is the joint responsibility of the City Manager and City Comptroller. The Common Council must approve any changes made to the budget to ensure that actual expenditures do not exceed the amounts appropriated. If necessary, the City Manager has the authority to transfer appropriations between line items within any given department. Transfers between and among the various departments must be authorized by vote of the Common Council. Moreover, it is the Common Council that has ultimate responsibility for budgetary compliance and control, which includes making revisions to appropriations or estimated revenues. Budgets for governmental funds are adopted on a basis that is essentially consistent with generally accepted accounting principles. See "Summary of Significant Accounting Principles," below.

A summary of the City's operating budget adopted for the fiscal years ending December 31, 2025 and 2026 are presented in Appendix A of this Official Statement.

Investment Policy

Pursuant to Section 39 of the State's General Municipal Law, the City has adopted an investment policy applicable to the investment of all moneys and financial resources of the City. The responsibility for the investment program has been delegated by the Common Council to the City Comptroller, who is required to establish written operating procedures consistent with the City's investment policy guidelines. According to the investment policy of the City, 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.

Authorized Investments

The City has designated six commercial banks or trust companies which are located and authorized to conduct business in the State and one investment cooperative, to receive deposits of money from the City. In addition to bank deposits, including certificates of deposit, the City 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 City include: revenue and tax anticipation notes issued by any municipality, school district or district corporation other than the City (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 City, but only with respect to moneys of a reserve fund established pursuant to Section 6 of the General Municipal Law. The City 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, among others: 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; 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 City, 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.

Collateral Requirements

All City deposits in excess of the applicable insurance coverage proved 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 must consist of the "eligible securities" enumerated in the aforementioned law. Eligible securities must be held by the depository or third-party bank or trust company subject to security and custodial agreements. The City's security agreements provide that the aggregate market value of pledge securities must equal or exceed the principal amount of deposit, the agreed upon interest and the cost or expense for collecting such deposits in the event of a default. Securities not registered or inscribed in the name of the City must be delivered, in a form suitable for transfer or with an assignment in blank, to the City or its designated custodial bank. The custodial agreements used by the City provide that pledged securities must be kept separate and apart from the general assets of the custodian. Such securities may not be pledged as security for any other deposit or liability.

An eligible irrevocable letter or credit may be issued to be 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 and the agreed upon interest. Qualified banks include those with commercial paper or short-term debt ratings within one of the three highest categories assigned by at least one nationally recognized rating agency or a bank which meets the minimum Federal risk-based capital requirements.

An eligible surety bond must be underwritten by an insurance company authorized to do business in the State. Such insurance company must have been assigned the highest rating for claims paying ability by two nationally recognized statistical rating organizations. The surety bond must be payable to the City in an amount equal to 100% of the deposit and the agreed interest thereon.

Independent Audits and Financial Reporting

Audits

The financial statements of the City are audited each year by a firm of independent certified public accountants. The most recent audited general purpose financial statements and notes thereto and the auditors' report thereon are for the year ended December 31, 2024. In addition, the financial affairs of the City are subject to periodic compliance review by the Office of the State Comptroller to ascertain whether the City has complied with the requirements of various State and Federal statutes. The City also prepares an Annual Financial Report ("AFR") that is filed with the State Comptroller. The audited Financial Statements for fiscal year ended December 31, 2025 are attached in Appendix B hereto.

The State Comptroller's Fiscal Stress Monitoring System

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

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

The most current applicable report of the State Comptroller designates the City 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.

In addition, the Office of the State Comptroller helps local government officials manage government resources efficiently and effectively. The Comptroller oversees the fiscal affairs of local governments statewide, as well as compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished, in part, through its audits, which identify opportunities for improving operations and governance. Reference to this website implies no warranty of accuracy of information therein. The most recent audit was released on June 20, 2014. The purpose of the audit was to examine the City's financial condition to determine if City officials were effectively managing the City's fund balance for the period January 1, 2011 – December 31, 2013. The complete report may be found on the State Comptroller's website.

Financial Reporting

Based on the City's most recent financial report, the City's Statement of Net Position shows total net assets of $166,317,584. The net position of the City on December 31, 2024 was ($67,134,855), which reflects net pension liabilities.

Certain Information Obtained From Financial Statements

A five-year history of certain financial statements is presented, in summary form, in Appendix A hereto. The data presented in these summaries are derived from audited financial statements for the 2021-2024 fiscal years and 2025 annual financial report. Such statements are based on the modified accrual basis of accounting. The summaries are not complete presentations because the notes to the financial statements and the auditors' report thereon have not been included. Accordingly, such statements are not considered audited under accounting principles generally accepted in the United States of America. Unqualified opinions were issued by the auditors for each of the years for which information is presented in Appendix A. Copies of the City's audited financial statements for such years will be made available upon request to the City or its financial advisor.

Summary of Significant Accounting Policies

See Audited Financial Statements as for the year fiscal year ended December 31, 2025, "Notes to Financial Statements," Note 1 attached hereto as Appendix B.

Financial Management

Fund Balance Policy

The Common Council of the City adopted a fund balance policy for the General Fund on September 10, 2007. In accordance with the policy, a portion of the unreserved fund balance of the General Fund equal to 5% of the latest audited expenditures (with certain exclusions) will be designated for emergencies. Such designation may be used by resolution of the Common Council approved by a super majority of its members. The City will also maintain an additional twenty percent (20%) of the latest audited expenditures as unreserved fund balance of which a minimum of 10% must be undesignated. In the event that the emergency fund and the unreserved fund balance fall below 5% and 20%, respectively, the City will replenish these balances through the budgetary process over three to five years. Amounts in excess of the aforementioned levels will be appropriated for capital improvements, long-term employment liabilities, emergencies or used in the subsequent year's budget. The City's General Fund had a total fund balance of $16,413,590 on December 31, 2025, including unassigned amounts of $4,155,413, excluding other uses. The assigned balance was $846,552 of December 31, 2025.

Revenues

The total revenue and other financing sources for the City's General Fund for 2025 was $52,224,264. Locally generated revenue accounted for 90.89% of this total, while State and Federal assistance made up the remaining 9.11%.

Municipally Generated Revenues

The primary revenues generated by the City include, in the order of their magnitude, the real property taxes, payments in-lieu of taxes, water sales, sales taxes, and sales of electricity.

Real Property Taxes

Real property taxes are used solely to finance the City's General Fund. Real property tax revenues for 2025 were $19,358,031 (37.07% of total General Fund Revenues, excluding other financing sources). For 2026, the City budgeted $20,022,538 in the general fund for this source.

A more complete description of real property taxes including procedures and historical data may be found under "Real Property Taxes," herein.

The following table sets forth the percentage of the City's General Fund revenue (excluding other financing sources) comprised of real property taxes for each of the fiscal years 2019 through 2025, and, as budgeted, for the year ending December 31, 2026.

Fiscal Year Ending December 31:	Total General Fund Revenue	Real Property Taxes	Total Revenue to Real Property Taxes (%)
2019	$41,488,411	$16,946,996	40.85
2020	39,537,327	17,186,004	43.47
2021	43,683,743	18,087,785	41.41
2022	45,625,211	18,247,957	40.00
2023	45,226,152	17,964,555	39.72
2024	51,156,011	18,667,521	36.49
2025 (Unaudited)	52,224,264	19,358,031	37.07
2026 (Budgeted)	57,399,612	20,723,327	36.10

Source: Audited financial statements (2019-2024), (2025) Annual Financial Report and the Adopted Budget (2026).

Payments In-Lieu of Taxes (PILOT)

The City received $7,738,938 PILOT revenue in the general fund during the 2024 fiscal year. These payments made up approximately 15.13% of all general fund operating revenues, excluding other financing sources. The City's adopted budget for the 2026 fiscal year has estimated $7,979,206 for such revenue.

Moneys received from the County's resource recovery plant accounted for approximately $7.4 million of the total PILOTs in 2024; $7.9 million is estimated for 2026. Agreements signed in connection with the plant's construction provide that 50% of the site lease rentals are paid to the City with the remaining half shared by the two school districts serving the City. The sixth amendment to the original site lease agreement became effective on October 22, 2009 and provided for a base year payment of approximately $8.3 million in 2010 of which 50% was retained by the City. The current amendment expires on October 21, 2034 unless the disposal agreement between the County IDA and Westchester Resco is terminated on an earlier date.

The remaining moneys received as PILOTs are paid to the City by various public housing entities, including the Peekskill Housing Authority. Payments to the City are determined by formulas tied to rentals for the housing organizations. In addition, several commercial entities at the Charles Point Industrial Park make such payments. Commercial payments are generally based on estimated assessed valuations. City officials expect that PILOT agreements may be negotiated in the future with other businesses located at the Charles Point site.

Water Sales

For the year ended December 31, 2025, the City recorded $8,568,079 from the sale of water (including penalties). Sales to consumers within the City accounted for approximately 99.46% of this total, while sales to other governments accounts for approximately 0.53% of the total. The City's 2026 budget for the Water Fund estimated that revenue from water sales (including late charges) will be $8,961,000.

According to the City's 2025 water rent schedule, industrial consumers pay a minimum of $87.67 per quarter and the minimum for residential users is $35.00. Sales to other governments are done on a bulk basis and charges to these customers reflect volume discounts.

Past due accounts are enforced by several methods. A penalty of 1.5% a month is added to any bill not paid within 30 days of the billing date. Accounts delinquent for a period of 90 days as of March 1 are relevied on the tax roll for taxes due and payable on April 1 of that year. The amount of delinquent water rents relevied for 2024 was $356,381.

Sales and Use Tax

Pursuant to the provisions of the County Property Tax Stabilization and Relief Act (Section 1262-b of the State Tax Law) adopted in 1991, the City receives a prorated share from a 1% increase in the County sales and use tax. In addition, the City also receives a share of the ½% increase in the County sales and use tax which became effective on March 1, 2004. In August 2019, Westchester County increased their sales tax rate by 1%. The City will receive a portion of this increase. Sales tax is allocated to the County's subdivisions based on population.

For 2025, the City recorded cable franchise fees, utilities gross receipts tax and sale and use tax revenue of $8,302,775.

Resco Facility Payments

Pursuant to an agreement originally executed in connection with Resco in 1980, the County Refuse District is obligated to make certain benefits payments to the City. Prior to 1991, amounts up to $1 million were paid in the form of energy credits to electric rate payers located in the City. Benefit payments in excess of $1 million were paid to the City to be used for any City purposes as so determined by the Common Council. The City and County amended their agreement, effective January 1, 1992, to allow the City to use all or any portion of the $1 million previously credited to electric rate payers. For 2025, the City's share of these energy payments was $1,885,000 from this source (see below).

Pursuant to the latest amendments to the original agreement which took effect on October 22, 2009, the City receives annual facilities payments from Resco. Such payments are solely for the benefit of the City and began in 2010. The City receives a base energy credit of $1,150,000 and an excess energy credit computed under a formula set forth in the agreement. In aggregate, the annual energy credit payments are not to be less than $1,550,000 and are not to exceed $1,885,000. In addition to energy credits, the City receives an annual additional payment of $250,000 and an annual payment of $110,000 for solid waste obtained by Resco from sources outside the County.

Intergovernmental Revenues

State Aid

State aid of $3,613,911 was recorded in the General Fund for the year ended December 31, 2025. The 2026 general fund budget estimates that State aid will be $3,441,385 and anticipated mortgage tax will be $750,000.

The State is not constitutionally obligated to maintain or continue State aid to the City and, in fact, reduced aid payments to municipalities and school districts in the past in response to its own fiscal problems. Further State budgetary restrictions, which eliminate or substantially reduce State aid, could have a materially adverse effect upon the City requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

The following table sets forth the percentage of the City's General Fund revenue comprised of State aid for each of the fiscal years 2019 through 2025(unaudited) and as budgeted for 2026.

Fiscal Year Ending December 31:	General Fund Revenue	State Aid	State Aid to Revenue (%)
2019	$41,488,411	$2,903,367	7.00
2020	39,537,327	2,448,177	6.19
2021	40,395,452	3,271,941	8.10
2022	45,625,211	3,299,904	7.23
2023	45,226,152	2,720,251	6.01
2024	51,156,011	2,765,464	5.41
2025 (Unaudited)	52,224,264	3,613,911	6.92
2026 (Budgeted)	57,399,612	3,441,385	6.00

Source: Audited financial statements (2019-2024), (2025) Annual Financial Report and the Adopted Budget (2026).

Federal Aid

The City also receives various forms of assistance from the Federal government. Revenue in 2024 from this source reported in the general fund in various categories was $2,593,751.08 and includes $2,282,567.06 in American Rescue Plan Funding recorded as revenue and expended in 2024. There is $542,000 Federal aid budgeted for the general fund for 2024.

Pension Systems

Substantially all employees of the City are members of the New York State and Local Employees' Retirement System ("ERS") or the State and Local Police and Fire Retirement System ("PFRS," and together with ERS, the "Retirement System"). The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement 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. Except discussed below, 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 or before December 31, 2009, must contribute three percent of their gross annual salary towards the costs of retirement programs until they attain ten years in the Retirement System, at which time contributions become voluntary. On December 10, 2009, the Governor Paterson signed into law the creation of a new Tier V, which was effective for new ERS employees hired after January 1, 2010. New ERS employees in Tier V contribute 3% of their salaries. There is no provision for these contributions to cease for Tier V employees after a certain period of service. On March 16, 2012, Governor Cuomo signed into law the new Tier VI pension program, 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 VI employees will vest in the system after ten years of employment and will continue to make employee contributions throughout employment.

On May 14, 2003, the Governor signed a pension reform bill into law as Chapter 49 of the Law of 2003 ("Chapter 49"). Chapter 49 changed the billing cycle for employer contributions to the ERS retirement system to match budget cycles of the City. Under the previous method, the City was not provided with required payment until after the budget was implemented. Under the reforms implemented by Chapter 49, 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 City is notified of and can include the actual cost of the employer contribution in its budget. Chapter 49 also required 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.

During its 2004 Session the New York State Legislature enacted further pension relief in the form of Chapter 260 of the Laws of 2004 ("Chapter 260"). Chapter 260 changed the pension payment date for all local governments 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 City 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. The Employer Contribution Stabilization Program, signed into law on August 11, 2010, gives local governments the option to amortize a portion of annual pension costs. Amortizations are paid in equal installments over a ten-year period at an interest rate that is set annually. Under such legislation, local governments and school districts that choose to amortize will be required to set aside and reserve funds for certain future rate increases. The legislation also authorizes local governments and school district to establish reserve accounts to fund future payment increases that are a result of fluctuations in pension plan performance.

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

Contributions to the Retirement Systems

Fiscal Year Ending December 31:	ERS	PFRS
2021	$1,554,518	$2,359,122
2022	1,703,186	2,702,094
2023	1,584,573	2,790,953
2024	1,619,569	3,367,315
2025	1,687,556	4,022,079
2026	1,830,575	4,480,778

For fiscal year 2024, the City did not amortize any of its Employee Retirement System pension payments, but the City did amortize $720,359 of the Police and Fire Retirement System payment. Additionally, the City budgeted to pay the full amount of its pension expenses for fiscal year 2025 and 2026.

Other Post-Employment Benefits

The City 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 City 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.

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

For the fiscal year ended December 31, 2018, the City implemented GASB 75. The implementation of this Statement resulted in the reporting of the entire actuarial accrued liability for other post-employment benefits. The City's total OPEB liability at December 31, 2024 is as follows:

Total OPEB Liability at Dec 31, 2023	$137,781,226
Charges for the Year:	
Service Cost	1,769,979
Interest	5,694,926
Differences Between Expected and Actual Experience	-
Changes of assumptions or other inputs	(415,103)
Benefit Payments	(5,660,763)
Net Changes in total OPEB liability	1,389,039
Total OPEB Liability at Dec 31, 2024	$139,170,265

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.

At this time, New York State has not developed guidelines for the creation and use of irrevocable trusts for the funding of OPEB. As a result, the City had decided to continue funding the expenditure on a pay-as-you-go basis.

Large Taxpayers in the City
2025 Assessment Roll [a]

Name	Type	Assessed Valuation
Con Edison Co Of New York	Utility	$4,714,184
BNS I LLC	Apartments	1,000,000
Beach Improvements, LLC.	Retail	989,500
Crompond Apartment Owners Corp	Co-Op Apartments	546,019
BASF Color & Effects USA LLC	Manufacture	532,446
Crossroads Assoc's LLC	Apartments	485,040
Peekskill Towers Corp	Co-Op Apartments	401,302
River Ridge Owners Corp	Co-Op Apartments	382,996
Hudson View Peekskill LLC	Apartments	345,000
Hampton Oaks Inc	Apartments	331,500
	Total [a]	$9,727,987

a. Assessment Roll established in 2025 for levy and collection of taxes in 2026.
b. Represents of 14.85% of 2026 taxable assessed valuation of the City.

REAL PROPERTY TAXES

The City derives its power to levy an ad valorem real property tax from the Constitution of the State, subject to certain applicable statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The City is responsible for levying taxes for City purposes only. The City's property tax levying powers, other than for debt service and certain other purposes, are limited by the State Constitution to two percent of the five-year average full valuation of taxable real property of the City (See also, "Tax Levy Limit Law"). Excluded from the calculation are levies for net debt service, capital expenditures, judgments, and claims.

Real Estate Tax Levying Limitation
Year Ending December 31, 2025

Constitutional Tax Limit	$49,559,222
Total Tax Levy	20,122,538
Less Exclusions	4,508,745
Tax Levy Subject to Tax Limit	15,613,793
Constitutional Tax Margin	$33,945,429
Percentage of Tax Limit Exhausted	31.51%

Tax Collection Procedure

The ad valorem real property tax rate is comprised of four elements: (1) general City purposes, (2) general County purposes, (3) the Peekskill Sanitary Sewer District and (4) the Westchester County Refuse District No. 1. Each rate is established during the budget process to balance total appropriations and estimated revenues. Real property taxes become payable upon the levy of such taxes by the Common Council for general City purposes and the County Legislature with respect to the remaining three components cited above. The taxes as levied become a lien on January 1 and are payable in two installments on the first days of April and October. No installment shall be considered past due if remitted within 30 days. Late penalties accrue at 1% per month or a fraction thereof and are computed from January 1.

The City Comptroller is also responsible for the collection of school taxes which may be paid in two installments generally on July 1 and February 1. Payment may be made interest free until July 31 for the first installment and February 28 with respect to the second half installment. Late remittances are assessed interest at 1 per month from July 1 and a 5% collection fee is added for payments received after the February 28th. Pursuant to Article 13 of the Real Property Tax Law, the City pays the school districts serving the City their full tax levy by the end of each school year.

The City enforces delinquent taxes by foreclosure actions taken in accordance with the provisions of Article II, Title 3 of the Real Property Tax Law. Foreclosure procedures are instituted once a tax remains unpaid for two years.

LITIGATION

Throughout the course of any given year, notices of claim will be served upon the City pursuant to N.Y. General Municipal Law § 50-e. These notices typically involve claims for alleged personal injuries or property damage. Many such notices do not ripen into litigation. Generally, the City will engage counsel to conduct examinations of claimants pursuant to General Municipal Law § 50-h in matters involving an alleged loss exceeding $10,000.00. In the opinion of the City's Corporation Counsel and Comptroller, the final settlement of those claims now pending will not have a material adverse effect on the financial position of the City.

From time-to-time, the City and its officials and employees are also named as defendants in litigations filed in state and federal court. These lawsuits can involve a range of matters, including alleged civil rights violations and employment discrimination claims. Except for the following litigations, Comptroller and Corporation Counsel believe that none of these actions could have a material adverse effect on the financial position of the City:

Raphael v. City of Peekskill, Sup. Ct. West. Cty. Index No.: 61128/2022. On May 27, 2022, Mr. Raphael filed this action against the City pursuant to N.Y. Civil Service Law § 75-b, alleging that he had been wrongfully terminated from his provisional position as the City of Peekskill Water and Sewer Assistant Superintendent. The Complaint seeks compensatory damages, including back pay and front pay, along with a civil penalty, punitive damages and attorney's fees. By Decision and Order dated April 30, 2025, the Appellate Division, Second Department, reinstated a default order that had been entered against the City on December 14, 2022. Thereafter, the City's insurance carrier denied coverage for the suit. The City is being vigorously defended by outside counsel on both the amount of damages and the categories of relief for which Plaintiff seeks recovery, including front pay and punitive damages.

Risk Management

The City protects itself against various forms of liability or loss by purchasing insurance. For certain types of risk, the City is self-insured and retains the initial liability for amounts ranging from $25,000 to $100,000. The City's annual risk exposure is $250,000 for automobile, general liability and law enforcement related claims. The City's buildings and contents are insured at replacement cost with a maximum insurance payment of $124,303,234. City employees and elected officials are covered by a public officer's policy, which has a $25,000 deductible per each claim and pays up to $1,000,000 a year. For claims in excess of the City's basic insurance coverage, an umbrella policy, which pays up to $10,000,000 per occurrence, supplements the City's liability policies.

Workers' compensation claims are on a first dollar basis for medical and indemnity for all classes of employees, except Police. Police are covered on a first dollar basis for medical, but indemnity is excluded (GML Section 207). The total annual coverage for medical is unlimited, and indemnity is $11,000,000 annually. As of the year ended December 31, 2024, the City reserved $251,360 of the fund balance of the General Fund for workers compensation claims.

The City has designated a portion of the fund balance of the General Fund to pay general and casualty liability claims against the City. As of December 31, 2024, $358,809 of the fund balance of the General Fund was reserved for this purpose.

Tax Certiorari Claims

There are various tax certiorari claims currently pending against the City. The plaintiffs in these matters have asserted that their properties are over assessed and are seeking assessment reductions. A refund of alleged excess taxes previously paid is also generally requested. Claims of this nature are filed continuously and some cases may not be settled for several years or more. It is not unusual for certain taxpayers to have multiple pending claims affecting a period of years.

Contingencies

The City participates in numerous State and Federal grants programs, which include Community Development, and Urban County Economic Development grants. These programs are subject to program compliance audits pursuant to the Single Audit Act. The City's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City anticipates such amounts, if any, will be immaterial.

CYBERSECURITY

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

MARKET AND RISK FACTORS

There are various forms of risk associated with investing in the Bonds and the Notes. The following is a discussion of certain events that could affect the risk of investing in the Bonds and 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 City, as well as the market for the Bonds and the Notes, could be affected by a variety of factors, some of which are beyond the City'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 Bonds and 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 City to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Bonds and the Notes could be adversely affected.

The City 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 City, in any year, the City may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the City. In some years, the City 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 City 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 City. Unforeseen developments could also result in substantial increases in City expenditures, thus placing strain on the City's financial condition. These factors may have an effect on the market price of the Bonds and 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 Bonds and the Notes should elect to sell a Bond or 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 Bonds and the Notes. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Bonds and 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 Bonds and the Notes and other debt issued by the City. Any such future legislation would have an adverse effect on the market value of the Bonds and the Notes (See "*TAX MATTERS*" herein).

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

TAX MATTERS

In the opinion of Harris Beach Murtha Cullina PLLC, New York, New York, Bond Counsel to the City, based on existing statutes, regulations, administrative rulings and court decisions and assuming compliance by the City with certain covenants and the accuracy of certain representations, interest on the Bonds and the Notes is excluded from gross income for Federal income tax purposes. Bond Counsel is of the further opinion that interest on the Bonds and the Notes is not an "item of tax preference" for purposes of the Federal alternative minimum tax on individuals. However, the Internal Revenue Code of 1986, as amended (the "Code") imposes a federal corporate alternative minimum tax equal to 15 percent of the "adjusted financial statement income" of corporations (other than S corporations, regulated investment companies and real estate investment trusts) having an average annual "adjusted financial statement income" for the 3-taxable-year period ending with the tax year that exceeds $1,000,000,000. Interest on tax-exempt obligations such as the Bonds and the Notes is included in the computation of a corporation's "adjusted financial statement income".

The Code also imposes various limitations, conditions and other requirements which must be met at and subsequent to the date of issue of the Bonds and the Notes in order for interest on the Bonds and the Notes to be and remain excluded from gross income for Federal income tax purposes. Included among these requirements are restrictions on the investment and use of proceeds of the Bonds and the Notes, and in certain circumstances, payment of amounts in respect of such proceeds to the Federal government. Failure to comply with the requirement of the Code may cause interest on the Bonds and the Notes to be includable in gross income for purposes of Federal income tax, possibly from their respective dates of issuance. In the Arbitrage and Use of Proceeds Certificate of the City to be executed in connection with the issuance of the Bonds and the Notes, the City will covenant to comply with certain procedures and it will make certain representations and certifications, designed to assure satisfaction of the requirements of the Code with respect to the Bonds and the Notes. The opinion of Bond Counsel assumes compliance with such covenants and the accuracy, in all material respects, of such representations and certificates.

Prospective purchasers of the Bonds and the Notes should be aware that ownership of the Bonds and the Notes, and the accrual or receipt of interest thereon, may have collateral Federal income tax consequences for certain taxpayers, including financial institutions, property and casualty insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or Railroad benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their tax advisors as to any possible collateral consequences of their ownership of the Bonds and the Notes and their accrual or receipt of interest thereon. Bond Counsel expresses no opinion regarding any such collateral Federal income tax consequences.

The Bonds and the Notes will NOT be designated as "qualified tax exempt obligations" within the meaning of, and pursuant to, Section 265(b)(3) of the Code.

In the opinion of Bond Counsel, under existing statutes, interest on the Bonds and the Notes is exempt from personal income taxes imposed by the State or any political subdivision thereof (including The City of New York).

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 and delivery of the Bonds and the Notes may affect the tax status of interest on the Bonds and the Notes.

No assurance can be given that any future legislation, including amendments to the Code or the State income tax laws, regulations, administrative rulings, or court decisions, will not, directly or indirectly, cause interest on the Bonds and the Notes to be subject to Federal or State income taxation, or otherwise prevent Bondholders or Noteholders from realizing the full current benefit of the tax status of such interest. Further, no assurance can be given that the introduction or enactment of any such future legislation, or any judicial decision or action of the Internal Revenue Service or any State taxing authority, including, but not limited to, the promulgation of a regulation or ruling, or the selection of the Bonds and the Notes for audit examination, or the course or result of any Internal Revenue Service examination of the Bonds and the Notes or of obligations which present similar tax issues, will not affect the market price or marketability of the Bonds and the Notes. Prospective purchasers of the Bonds and the Notes should consult their own tax advisors regarding the foregoing matters.
All summaries and explanations of provisions of law do not purport to be complete and reference is made to such laws for full and complete statements of their provisions.

ALL PROSPECTIVE PURCHASERS OF THE BONDS AND THE NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE AS TO THE TAX CONSEQUENCES OF PURCHASING OR HOLDING THE BONDS AND THE NOTES.

Legal Matters

The legality of the authorization and issuance of the Bonds and the Notes will be covered by the approving legal opinions of Harris Beach Murtha Cullina PLLC, New York, New York, Bond Counsel to the City. Such legal opinions will state that in the opinion of Bond Counsel (i) the Bonds and the Notes have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the City, all the taxable property within which is subject to the levy of ad valorem taxes to pay the Bonds and the Notes and interest thereon, subject to certain applicable statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended (see “TAX LEVY LIMITATION LAW” herein); provided, however, that the enforceability (but not the validity) of the Bonds and the Notes may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal) affecting the enforcement of creditors' rights; (ii) under existing statutes, regulations, administrative rulings and court decisions, interest on the Bonds and the Notes is excluded from the gross income of the owners thereof for Federal income tax purposes, is not an “item of tax preference” for purposes of the Federal alternative minimum taxes imposed on individuals, however, interest on the Bonds and the Notes held by certain corporations that are subject to the Federal corporate alternative minimum tax is included in the computation of “adjusted financial statement income” for purposes of the Federal alternative minimum tax imposed on such corporations; (iii) interest on the Bonds and 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); and (iv) based upon Bond Counsel’s examination of law and review of the arbitrage and use of proceeds certificate executed by the City Comptroller of the City pursuant to Section 148 of the Code and the regulations thereunder, the facts, estimates and circumstances as set forth in said arbitrage certificate are sufficient to satisfy the criteria which are necessary under Section 148 of the Code to support the conclusion that the Bonds and the Notes will not be “arbitrage bonds” within the meaning of said section, and no matters have come to Bond Counsel’s attention which makes unreasonable or incorrect the representations made in said arbitrage certificate. Bond Counsel expresses no opinion regarding Federal or State income tax consequences arising with respect to the Bonds and the Notes.

Such legal opinions will also state that in the opinion of Bond Counsel (i) in rendering the opinions expressed therein, Bond Counsel has assumed the accuracy and truthfulness of all public records, documents and proceedings examined by Bond Counsel which have been executed or certified by public officials acting within the scope of their official capacities, and has not verified the accuracy or truthfulness thereof, and Bond Counsel also has assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and such certifications thereof; (ii) the scope of Bond Counsel's engagement in relation to the issuance of the Bonds and the Notes has extended solely to the examination of the facts and law incident to rendering the opinions expressed therein; (iii) the opinions expressed therein 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 City together with other legally available sources of revenue, if any, will be sufficient to enable the City to pay the principal of and interest on the Bonds and the Notes as the same respectively become due and payable; (iv) reference should be made to the Official Statement for factual information which, in the judgment of the City, would materially affect the ability of the City to pay such principal and interest; and (v) while Bond Counsel has participated in the preparation of the Official Statement, Bond Counsel has not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, no opinion is expressed by Bond Counsel as to whether the City, in connection with the sale of the Bonds and the Notes, 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.

BOND RATING

The Notes are not rated. The City has applied to Moody's Investors Service ("Moody's"), 7 WTC at Greenwich Street, New York, NY, Phone: (212) 553-4055 and Fax: (212) 298-6761, for a rating on the Bonds and such application is pending at this time. 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 City on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the City or the information set forth in this Official Statement or any other information available to the City with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement.

ADDITIONAL INFORMATION

Additional information may be obtained upon request from the office of the Toni Tracy, City Comptroller, City of Peekskill, City Hall, 840 Main Street, Peekskill, New York 10566, telephone number (914) 737-3400, email: ttracy@cityofpeekskill.com or from the office of Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776, telephone number (631) 331-8888 and website: https://www.munistat.com.

MISCELLANEOUS

Any statements made in this Official Statement and indicated to involve matters of opinion or estimates are represented to be opinions or estimates in good faith. No assurance can be given, however, that the facts will materialize as so opined or estimated. 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 holders of the Bonds and the Notes.

Harris Beach Murtha Cullina PLLC expresses no opinion as to the accuracy or completeness of any documents prepared by or on behalf of the City for use in connection with the offer or sale of the Bonds and the Notes, including this Official Statement. This Official Statement has been prepared only in connection with the sale of the Bonds and the Notes by the City and may not be reproduced or used in whole or in part for any other purposes.

CITY OF PEEKSKILL
WESTCHESTER COUNTY, NEW YORK

By: /s/_____
TONI TRACY
City Comptroller and Chief Fiscal Officer

Dated: August , 2026

APPENDIX A

FINANCIAL INFORMATION

Balance Sheet
General Fund

	Fiscal Year Ending December 31:				
	2021	2022	2023	2024	2025
Assets:					
Cash	$ 17,118,996	$ 16,929,704	$ 13,341,123	$ 13,803,767	$ 13,712,739
Investments	3,642,461	3,087,954	3,207,481	3,433,485	3,662,432
Taxes Receivable	1,852,150	2,482,907	2,798,618	2,702,194	3,330,165
Accounts Receivables	458,301	477,088	711,838	1,356,749	627,966
State and Federal Aid Receivables	1,651,027	1,765,717	1,836,363	2,224,121	3,917,929
Due from Other Governments	1,063,918	962,751	1,576,378	855,192	1,083,607
Due from Other Funds	1,787,355	1,572,331	2,474,884	3,520,768	646,810
Due from Custodial Fund		339,220			
Leases					2,320,056
Prepaid Expenses	1,227,320	1,283,403	1,402,023	364,757	373,975
Total Assets	$ 28,801,528	$ 28,901,075	$ 27,348,708	$ 28,261,033	$ 29,675,679
Liabilities:					
Accounts Payable	$ 318,466	$ 1,376,422	$ 1,312,056	$ 1,860,496	$ 1,784,167
Accrued Liabilities	640,340	732,697	1,814,513	4,027,428	4,321,635
Other Liabilities			2,491,787		
Payroll Liabilities			144,886		
Due to Other Funds			511,079	337,077	334,256
Due to Other Governments				168632	61,761
Due to Fiduciary Fund	1,654,387				
Due to Component Unit	75,629	48,727			
Deferred Tax Revenue	1,506,473	1,746,393	2,044,273	2,425,821	
Deposits Payable	1,275,470	1,255,421	1,259,941	1,361,527	1,238,193
Employee Payroll Tax Deductions	342,117	207,716		110,790	137,344
Unearned Revenue	1,266,710	2,512,168		209,220	78,683
Deferred Inflows of Resources					5,306,050
Total Liabilities	7,079,592	7,879,544	9,578,535	10,500,991	13,262,089
Fund Balances:					
Nonspendable	1,227,320	1,283,403	1,402,023	364,757	373,975
Restricted	8,989,887	8,893,314	9,248,190	9,765,065	10,513,675
Committed	873,975	873,975	523,975	523,975	523,975
Assigned	1,709,381	2,387,401	2,528,979	980,921	846,552
Unassigned	8,921,373	7,583,438	4,067,006	6,125,324	4,155,413
Total Fund Balances	21,721,936	21,021,531	17,770,173	17,760,042	16,413,590
Total Liabilities and Fund Balances	$ 28,801,528	$ 28,901,075	$ 27,348,708	$ 28,261,033	$ 29,675,679

Sources: Audited Financial Reports (2021-2025)
Note: Table itself is NOT audited.

Balance Sheet
Water Fund

	Fiscal Year Ending December 31:				
	2021	2022	2023	2024	2025
Assets:					
Cash	$ 4,194,070	$ 6,004,211	$ 6,103,483	$ 6,335,673	$ 5,553,763
Water Rents	2,043,043	2,090,196	2,335,498	2,603,596	2,551,712
State and Federal Aid					26,363
Due from Other Funds		635,086	26,610		
Prepaid Expenses	100,743	93,042	86,146	27,905	20,923
Inventories	174,460	203,116	220,146	200,715	300,377
Total Assets	$ 6,512,316	$ 9,025,651	$ 8,771,883	$ 9,167,889	$ 8,453,138
Liabilities:					
Accounts Payable	$ 69,864	$ 528,342	$ 61,723	$ 118,426	$ 266,010
Accrued Liabilities	50,612	58,463	56,342	227,820	247,128
Due to Other Funds		23,185	637,897	2,107	
Total Liabilities	120,476	609,990	755,962	348,353	513,138
Fund Balances:					
Nonspendable	275,203	296,158	306,292	228,620	321,300
Assigned	6,116,637	8,119,503	7,709,629	8,590,916	7,618,700
Total Fund Balances	6,391,840	8,415,661	8,015,921	8,819,536	7,940,000
Total Liabilities and Fund Balances	$ 6,512,316	$ 9,025,651	$ 8,771,883	$ 9,167,889	$ 8,453,138

Sources: Audited Financial Reports (2021-2025)

Balance Sheet
Sewer Fund

	Fiscal Year Ending December 31:				
	2021	2022	2023	2024	2025
Assets:					
Cash	$ 2,099,635	$ 2,440,070	$ 2,961,308	$ 3,322,948	$ 3,844,811
Sewer Rents	446,306	498,153	541,760	773,949	565,594
State and Federal Aid					5,785
Due from Other Funds	12,344		93,138		
Prepaid Expenses	60,120	35,021	30,699	3,986	15,072
Total Assets	$ 2,618,405	$ 2,973,244	$ 3,626,905	$ 4,100,883	$ 4,431,262
Liabilities:					
Accounts Payable	$ 11,428	$ 32,000	$ 40,141	$ 79,555	$ 40,354
Accrued Liabilities	7,789	7,630	6,591	101,253	109,834
Due to Other Funds		4,557	466	335	
Total Liabilities	19,217	44,187	47,198	181,143	150,188
Fund Balances:					
Nonspendable	60,120	35,021	130,699	3,986	15,072
Restricted			81,524		
Committed	12,344	12,344	88,133		
Assigned	2,526,724	2,881,692	3,279,351	3,915,754	4,266,002
Total Fund Balances	2,599,188	2,929,057	3,579,707	3,919,740	4,281,074
Total Liabilities and Fund Balances	$ 2,618,405	$ 2,973,244	$ 3,626,905	$ 4,100,883	$ 4,431,262

Sources: Audited Financial Reports (2021-2025)
Note: Table itself is NOT audited.

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

	Fiscal Year Ending December 31:				
	2021	2022	2023	2024	2025
Revenues:					
Real Property Taxes	$ 18,087,765	$ 17,777,993	$ 17,964,555	$ 18,667,521	$ 19,358,031
Other Property Tax Items	8,641,740	8,856,433	8,797,128	9,347,105	9,980,313
Non Property Tax Items	6,779,704	7,507,867	7,773,291	7,738,938	8,302,775
Departmental Income	3,894,896	4,087,436	4,049,969	4,154,208	4,423,902
Charges for Services	55,330	49,347	175,509	184,340	290,933
Use of Money & Property	632,988	62,059	950,469	989,836	1,008,148
Licenses & Permits	857,331	765,574	1,125,610	1,066,096	913,706
Fines and Forfeitures	746,272	1,004,174	1,158,762	1,546,640	2,265,869
Sale of Property and Compensation for Loss	7,781	42,983	10,634	55,933	5,725
Miscellaneous/Interfund Local Sources	180,771	400,030	2,720,251	4,212,420	916,164
State Aid	3,271,941	3,299,905	252,476	2,765,464	3,613,911
Federal Aid	597,275	400,824	309,710	427,510	1,144,787
Total Revenues	43,753,794	44,254,625	45,288,364	51,156,011	52,224,264
Expenditures:					
General Government Support	4,879,243	4,923,525	6,311,958	5,994,313	7,070,543
Public Safety	12,823,233	15,651,496	16,501,318	18,188,770	18,296,623
Health	132,832	607,932	559,999	657,138	790,798
Transportation	2,046,194	2,785,708	2,343,739	3,073,099	3,060,253
Economic Assistance & Opportunity	529,954	604,642	639,933	696,804	808,776
Culture and Recreation	2,606,256	2,936,960	2,943,112	2,971,198	3,137,588
Home and Community Services	2,391,868	2,771,175	3,104,159	3,009,892	3,268,736
Employee Benefits	11,269,440	11,587,647	12,995,229	13,982,340	15,029,301
Debt Service	3,622,925	3,300,898	3,452,323	3,264,067	3,087,512
Total Expenditures	40,301,945	45,169,983	48,851,770	51,837,621	54,550,130
Other Sources/Uses:					
Insurance Recoveries	94,535	99,953	201,378	154,479	167,264
Transfers In	687,459	715,000	749,587	917,000	1,235,000
Transfers (Out)	(500,000)	(600,000)	(638,917)	(400,000)	(422,850)
Total Other Sources/Uses	281,994	214,953	312,048	671,479	979,414
Total Expenditures & other Financing Sources (uses)	40,019,951	44,955,030	48,539,722	51,166,142	53,570,716
Excess (Deficiency) of Revenues over Expenditures	3,733,843	(700,405)	(3,251,358)	(10,131)	(1,346,452)
Fund Balance - Beginning of Year	18,934,500	21,721,936	21,021,531	17,770,173	17,760,042
Prior Perid Adjustments	(946,407) *				
Fund Balance - End of Year	$ 21,721,936	$ 21,021,531	$ 17,770,173	$ 17,760,042	$ 16,413,590

* Related prior period adjustment of ($7,661,819) was reported in the government-wide financial statements. Of this ($946,407) relates to the change in accounting for real property taxes and ($6,715,412) relates to an increase in previously reported accumulated depreciation.

Sources: Audited Financial Reports (2021-2025)
Note: Table itself is NOT audited.

Statement of Revenues, Expenditures and Changes In Fund Balances/Net Assets
Water Fund

	Fiscal Year Ending December 31:				
	2021	2022	2023	2024	2025
Operating Revenues:					
Departmental Income	$ 7,920,278	$ 8,560,263	$ 7,911,311	$ 8,753,614	$ 8,568,079
Sale of Property and Compensation for Loss		628,050			
Intergovernmental Charges					
Miscellaneous Local Sources	25,176	48,337	56,760	36,226	45,844
Total Operating Revenues	7,945,454	9,236,650	7,968,071	8,789,840	8,613,923
Operating Expenditures:					
General Government Support					
Home and Community Services	3,891,568	4,460,029	4,876,968	4,859,834	5,329,568
Employee Benefits					
Debt Service	2,510,335	2,502,800	2,522,757	2,536,391	2,526,235
Total Operating Expenditures	6,401,903	6,962,829	7,399,725	7,396,225	7,855,803
Operating Income	1,543,551	2,273,821	568,346	1,393,615	758,120
Other Financing Sources:					
Transfers In					
Transfers (Out)	(260,000)	(250,000)	(968,086)	(590,000)	(1,637,656)
Total Other Financing Sources	(260,000)	(250,000)	(968,086)	(590,000)	(1,637,656)
Fund Balance - Beginning of Year	5,108,289	6,391,840	8,415,661	8,015,921	8,819,536
Fund Balance - End of Year	$ 6,391,840	$ 8,415,661	$ 8,015,921	$ 8,819,536	$ 7,940,000

Sources: Audited Financial Reports (2021-2025)
Note: Table itself is NOT audited.

Statement of Revenues, Expenditures and Changes In Fund Balances/Net Assets
Sewer Fund

	Fiscal Year Ending December 31:				
	2021	2022	2023	2024	2025
Operating Revenues:					
Departmental Income	$ 1,759,605	$ 1,959,313	$ 1,691,826	$ 1,987,381	$ 1,623,765
Miscellaneous	20,277	43,512	28,712	19,043	254
Use of Money and Property	15	182	335	288	171,488
Total Operating Revenues	1,779,897	2,003,007	1,720,873	2,006,712	1,795,507
Operating Expenditures:					
General Government Support					
Home and Community Services	740,667	810,546	628,374	687,761	735,823
Debt Service	148,874	134,508	136,147		
Total Operating Expenditures	889,541	945,054	764,521	687,761	735,823
Operating Income	890,356	1,057,953	956,352	1,318,951	1,059,684
Other Financing Sources:					
Transfers In					
Transfers (Out)	(504,459)	(526,675)	(1,841,793)	(697,000)	(620,000)
Total Other Financing Sources	(504,459)	(526,675)	(1,841,793)	(697,000)	(620,000)
Fund Balance - Beginning of Year	3,547,973	3,933,870	4,465,148	3,579,707	4,201,658
Fund Balance - End of Year	$ 3,933,870	$ 4,465,148	$ 3,579,707	$ 4,201,658	$ 4,641,342

Sources: Audited Financial Reports (2021-2025)
Note: Table itself is NOT audited.

Budget Summaries

	Fiscal Year Ending December 31, 2025		
	General	Water	Sewer
Revenues:			
Real Property Taxes & Items	$ 20,022,538	$	$
Pilots	7,735,764		
Sales Tax	7,450,000		
Other Taxes; Transfer Tax, Hotel Tax	1,626,849		
Mortgage Tax	650,000		
Departmental Income	12,313,114	8,485,000	1,922,905
Local Sources		528,660	
State Sources	4,002,385		
Federal Sources	887,000		
Interfund Transfer	1,235,000		
Miscellaneous		30,000	
Appropriated Fund Balance	350,000		
Total Revenues	$ 56,272,650	$ 9,043,660	$ 1,922,905
Expenditures:			
General Government	$ 5,979,543	$ 1,284,261	$ 125,000
Public Safety	17,977,521		
Health	763,600		
Transportation	3,131,966		
Culture & Recreation	2,871,722		
Home & Community Services	3,880,290		590,405
Employee Benefits	18,138,800	4,249,321	287,500
Debt Service	3,129,208	2,825,078	0
Interfund Transfers	400,000	685,000	920,000
Total Expenditures	$ 56,272,650	$ 9,043,660	$ 1,922,905

Source: Adopted Budgets of the City

Budget Summaries

	Fiscal Year Ending December 31, 2026		
	General	Water	Sewer
Revenues:			
Real Property Taxes & Items	$ 20,723,327	$	$
Pilots	7,979,205		
Sales Tax	7,500,000		
Other Taxes; Transfer Tax, Hotel Tax	2,051,850		
Mortgage Tax	750,000		
Departmental Income	12,103,125	8,961,000	1,978,000
Local Sources		598,622	
State Sources	3,441,385		
Federal Sources	875,720		
Interfund Transfer	1,475,000		
Miscellaneous		30,000	
Appropriated Fund Balance	500,000		
Total Revenues	$ 57,399,612	$ 9,589,622	$ 1,978,000
Expenditures:			
General Government	$ 6,991,493	$ 290,000	$ 125,000
Public Safety	18,343,652		
Health	782,866		
Transportation	3,255,664		
Culture & Recreation	2,934,565		
Home & Community Services	3,860,186		750,922
Employee Benefits	17,388,248	5,574,041	77,078
Debt Service	3,442,938	2,925,581	
Interfund Transfers	400,000	800,000	1,025,000
Total Expenditures	$ 57,399,612	$ 9,589,622	$ 1,978,000

Source: Adopted Budgets of the City

CITY OF PEEKSKILL

APPENDIX B

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

►Click Here For 2025 Audit

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