

**Supplement
dated December 4, 2018**

to

**Official Statement
dated November 27, 2018**

relating to

**VILLAGE OF
HAVERSTRAW
ROCKLAND COUNTY, NEW YORK**

**\$6,500,000
PUBLIC IMPROVEMENT (SERIAL) BONDS, 2018 SERIES B
(FEDERALLY TAXABLE)
(the “Bonds”)**

Introduction

The Official Statement for the Bonds is dated **November 27, 2018** (the “Official Statement”). The **Village of Haverstraw**, Rockland County, New York (the “**Village**”) has prepared this Supplement dated **December 4, 2018**, to the Official Statement (the “Supplement”) to include information related to the Village’s audited financial statements for the fiscal year ended May 31, 2018 in the Official Statement. The Village’s financial statements are available upon request.

Other than with respect to the information provided herein, this Supplement is not otherwise updating the Official Statement, which speaks as of its date. Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Official Statement.

The following sections and tables in Appendix A are replaced and superseded with the following:

Independent Audits

The annual financial statements of the Village were audited by the firm of Korn, Rosenbaum, Phillips & Jauntig LLP, independent certified public accountants. Appendix B to this Official Statement presents a summary of the audited financial statements for the fiscal years ended May 31, 2014 through 2018.

2017/2018 Audited Results

For the fiscal year ending May 31, 2018, based on audited results, General Fund revenues and other sources were \$9,597,808 and General Fund Expenditures and other uses were \$9,415,505, which resulted in an operating surplus of \$182,303 and a cumulative General Fund surplus of \$8,443,250 after adjusting for a change in accounting principles.

Real Property Taxes

The Village derives most of its revenues from a tax on real property. The following table sets forth total General Fund revenues and real property taxes received for each of the last five fiscal years ended May 31 and the amount budgeted for the current fiscal year.

General Fund Revenues & Real Property Taxes

<u>Fiscal Year Ended May 31</u>	<u>Total Revenues⁽¹⁾</u>	<u>Real Property Taxes</u>	<u>Taxes to Revenues</u>
2014	\$8,859,932	\$6,556,895	74.0%
2015	9,047,541	6,600,056	73.0
2016	9,474,504	6,954,597	73.4
2017	9,731,069	7,161,396	73.6
2018	9,597,808	7,319,225	76.3
2019 (Adopted Budget)	10,586,065	7,211,843	68.1

(1) General Fund.

Source: Audited Financial Statements and 2019 Adopted Budget of the Village.

State Aid

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

The State is not constitutionally obligated to maintain or continue State aid to the Village. No assurance can be given that present State aid levels will be maintained in the future. In view of the State's continuing budget problems, future State aid reductions are likely. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the Village, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. (See also "*Market and Risk Factors Affecting Financing of the State and Municipalities of the State*", herein.)

The following table sets forth total General Fund revenues and State aid revenues received for each of the last five fiscal years ended May 31 and the amount budgeted for the current fiscal year.

General Fund Revenues & State Aid

<u>Fiscal Year Ended May 31</u>	<u>Total Revenues⁽¹⁾</u>	<u>State Aid</u>	<u>State Aid to Revenues</u>
2014	\$8,859,932	\$207,000	2.3%
2015	9,047,541	361,322	4.0
2016	9,474,504	270,981	2.9
2017	9,731,069	287,729	3.0
2018	9,597,808	235,283	2.5
2019 (Adopted Budget)	10,586,065	323,143	3.1

(1) General Fund.

Source: Audited Financial Statements and 2019 Adopted Budget of the Village.

Trend of Capital Indebtedness

The following table sets forth the amount of direct capital indebtedness outstanding for each of the last five fiscal years ended May 31.

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Bonds:	\$13,519,171	\$13,772,482	\$12,698,547	\$14,444,389	\$18,125,000
Bond Anticipation Notes:	1,405,000	6,500,000	6,100,000	5,700,000	5,350,000
Budget Note:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Totals:	<u>\$14,924,171</u>	<u>\$20,272,482</u>	<u>\$18,705,000</u>	<u>\$20,144,389</u>	<u>\$23,475,000</u>

Source: Audited Financial Statements of the Village.

Pages B-2 and B-3 are replaced and superseded with the following pages to include the Village's audited financial statements for the fiscal year ended May 31, 2018:

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VILLAGE OF HAVERSTRAW
Comparative Balance Sheets - General Fund
Fiscal Year Ended May 31

	<u>2016</u>	<u>2017</u>	<u>2018</u>
Assets:			
Cash and Equivalents	\$3,466,083	\$4,124,796	\$4,146,199
Taxes Receivable	25,324	25,324	25,324
Other Receivables			
Accounts	268,198	360,843	284,739
Due From Other Funds	1,074,336	1,737,967	1,956,707
Due From Other Governments	293,416	334,628	34,607
Investments	0	0	3,311,928
Prepaid Expenditures	70,046	56,402	54,296
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$5,197,403</u>	<u>\$6,639,960</u>	<u>\$9,813,800</u>
Liabilities and Fund Balance:			
Liabilities:			
Accounts Payable	\$300,783	\$364,737	\$678,455
Accrued Expenses	42,251	89,723	100,438
Due To Other Funds	284,366	1,093,051	541,333
Deferred Revenues	1,752	0	0
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>\$629,152</u>	<u>\$1,547,511</u>	<u>\$1,320,226</u>
Deferred Inflows of Resources	\$35,016	\$39,169	\$50,324
Fund Balance			
Non spendable	70,046	56,402	54,297
Restricted	474,714	441,861	304,535
Pension	0	0	3,311,928
Assigned	600,000	785,093	925,397
Unassigned	3,388,475	3,769,924	3,847,093
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance	<u>4,533,235</u>	<u>5,053,280</u>	<u>8,443,250</u>
Total Liabilities and Fund Balance	<u>\$5,197,403</u>	<u>\$6,639,960</u>	<u>\$9,813,800</u>

Source: Audited Financial Statements of the Village. Summaries not audited.

VILLAGE OF HAVERSTRAW
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
Fiscal Year Ended May 31:

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>Revenues:</u>					
Real Property Taxes	\$6,556,895	\$6,600,056	\$6,954,597	\$7,161,396	\$7,319,225
Other Tax Items	274,559	256,112	348,106	362,861	400,373
Non-Property Taxes	522,815	550,123	577,782	574,683	584,162
Departmental Income	311,641	289,867	159,661	175,106	171,783
Intergovernmental Charges	19,784	19,306	18,272	18,353	18,113
Use of Money and Property	62,317	69,965	95,487	138,281	158,895
Miscellaneous	377,969	587,328	951,416	1,012,660	665,757
State Aid	207,000	361,322	270,981	287,729	235,283
Federal Aid	526,952	313,462	98,202	0	44,217
Total Revenues	\$8,859,932	\$9,047,541	\$9,474,504	\$9,731,069	\$9,597,808
<u>Expenditures</u>					
General Government Support:	\$2,491,921	\$8,077,059	\$1,943,298	\$1,671,716	\$1,759,905
Public Safety	572,735	673,543	707,615	739,720	674,354
Transportation	1,377,454	1,445,298	1,397,052	1,494,938	1,497,827
Economic Assistance and Opportunity	21,149	13,683	11,627	15,877	11,819
Culture and Recreation	884,933	584,802	403,980	400,466	380,589
Home and Community Services	66,777	106,606	151,585	114,787	90,248
Employee Benefits	2,052,870	2,192,536	2,182,924	2,172,001	2,288,075
Debt Service	1,604,183	3,038,846	2,125,024	2,127,652	2,329,058
Interfund Transfers	0	0	0	0	0
Total Expenditures	\$9,072,022	\$16,132,373	\$8,923,105	\$8,737,157	\$9,031,875
<u>Other Sources and Uses</u>					
Operating Transfers In	\$0	\$0	\$0	\$0	\$0
Operating Transfers Out	(201,316)	(212,018)	(274,035)	(473,867)	(383,630)
Proceeds from Serial Bonds/BANS	500,000	7,845,000	0	0	0
Other Debt	0	0	0	0	0
Total Other Financing Sources (Uses)	\$298,684	\$7,632,982	(\$274,035)	(\$473,867)	(\$383,630)
Excess (Def) of Revenues and Transfers Over Expenditures	\$86,594	\$548,150	\$277,364	\$520,045	\$182,303
Fund Balance-Beginning of Year	\$3,621,127	\$3,707,721	\$4,255,871	\$4,533,235	\$5,053,280
Cumulative Effect of Change in Account Principle	\$0	\$0	\$0	\$0	\$3,311,928
Prior Period Adjustments	0	0	0	0	(104,261)
Beginning Fund Balance Restated	\$3,621,127	\$3,707,721	\$4,255,871	\$4,533,235	\$8,260,947
Fund Balance-End of Year	\$3,707,721	\$4,255,871	\$4,533,235	\$5,053,280	\$8,443,250

Source: Audited Financial Statements of the Village. Summaries not audited.

Appendix C is replaced and superseded with the following page to include the link to the Village's audited financial statements for the fiscal year ended May 31, 2018:

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APPENDIX C

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDING MAY 31, 2018***

**Can be accessed on the Electronic Municipal Market Access (“EMMA”) website
of the Municipal Securities Rulemaking Board (“MSRB”)
at the following link:**

<HTTPS://EMMA.MSRB.ORG/ER1317486.PDF>

**The audited financial statements referenced above are hereby incorporated into this
Official Statement.**

*** Such Financial Statements and opinion are intended to be representative only as of the date thereof. Bernard & Associates, P.C., Certified Public Accountants has not been requested by the Village to further review and/or update such Financial Statements or opinion in connection with the preparation and dissemination of this Official Statement.**