PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 20, 2017

NEW ISSUE: SERIAL BONDS **MOODY'S RATING: "Aa2"**
See "Ratings" herein

In the opinion of Norton Rose Fulbright US LLP, New York, New York, Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Bonds will be excludable from gross income for federal income tax purposes under existing law, and interest on the Bonds will not be subject to the alternative minimum tax on individuals. In the further opinion of Bond Counsel, under existing law interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). See "Tax Matters" herein for a description of the opinion of Bond Counsel and certain other tax consequences.

The City will NOT designate the Bonds as "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986.

CITY OF NEW ROCHELLE

WESTCHESTER COUNTY, NEW YORK
GENERAL OBLIGATIONS

$9,408,000* PUBLIC IMPROVEMENT (SERIAL) BONDS, 2017

DATED: OCTOBER 4, 2017 **DUE: APRIL 1, 2018-2032**
(as shown on inside cover)

(the "Bonds")

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

The Bonds will be dated the date of delivery, will bear interest from such date payable April 1, 2018 and semiannually thereafter on each April 1 and October 1 until maturity and will mature on the April 1, in the years and amounts as set forth on the inside cover page hereof. The Bonds will be subject to optional redemption prior to maturity as described herein. (See *"Optional Redemption"* herein.)

The Bonds will be issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of DTC. DTC will act as the securities depository for the Bonds. Individual purchases may be made in book-entry form only, in principal amounts of $5,000 or integral multiples thereof, except for one necessary odd denomination in the first maturity of the Bonds. Purchasers will not receive certificates representing their ownership interests in the Bonds. Payment of the principal of and interest on the Bonds will be made by the City to DTC, which will in turn remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds as described herein. (See "*Book-Entry-Only System*" herein.)

The Bonds are offered when, as and if issued and received by the purchaser and subject to the receipt of an unqualified legal opinion as to the validity of the Bonds of Norton Rose Fulbright US LLP, Bond Counsel, of New York, New York. Capital Markets Advisors, LLC has served a Municipal Advisor to the City in connection with the issuance of the Bonds. It is expected that the Bonds will be available for delivery through the offices of DTC on or about October 4, 2017.

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

Dated: September __, 2017

---

* Preliminary, subject to change.

$9,408,000* PUBLIC IMPROVEMENT (SERIAL) BONDS, 2017

DATED: OCTOBER 4, 2017 **DUE: APRIL 1, 2018-2032**

Year	Amount*	Interest Rate	Yield	CUSIP***	Year	Amount*	Interest Rate	Yield	CUSIP***
2018	$ 633,000				2026**	630,000			
2019	525,000				2027**	650,000			
2020	535,000				2028**	665,000			
2021	550,000				2029**	685,000			
2022	565,000				2030**	705,000			
2023	580,000				2031**	725,000			
2024	600,000				2032**	745,000			
2025	615,000								

* The principal amounts of the Bonds are subject to adjustment following the sale of the Bonds, pursuant to the terms of the accompanying Notice of Sale.

** The Bonds maturing in the years 2026 and thereafter will be subject to redemption prior to maturity, as described herein. (See *"Optional Redemption"*)

***** CUSIP numbers have been assigned by an independent company not affiliated with the City and are included solely for the convenience of the holders of the Bonds. The City is not responsible for the selection or uses of these CUSIP numbers and no representation is made to their correctness on the Bonds or as indicated above.**

*Preliminary, subject to change.

CITY OFFICIALS

NOAM BRAMSON
Mayor

BARRY R. FERTEL
IVAR HYDEN
ELIZABETH M. FRIED
JARED R. RICE
ALBERT A. TARANTINO, JR
LOUIS J. TRANGUCCI
Council Members

CHARLES B. STROME III
City Manager

TRACY YOGMAN
Commissioner of Finance

PATRICK J. CARROLL
Police Commissioner

LOUIS M. DiMEGLIO
Fire Chief

SCOTT D. PICKUP
Commissioner of Public Works

KATHLEEN GILL
Corporation Counsel

BOND COUNSEL

NORTON ROSE FULBRIGHT US LLP
New York, New York

FINANCIAL ADVISOR

CAPITAL MARKETS ADVISORS, LLC
Hudson Valley * Long Island * New York City * Southern Tier * Western New York
(516) 364-6363

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

TABLE OF CONTENTS

OFFICIAL STATEMENT

of the

CITY OF NEW ROCHELLE

WESTCHESTER COUNTY, NEW YORK

$9,408,000 Public Improvement (Serial) Bonds, 2017

This Official Statement (the "Official Statement"), which includes the cover page and appendices hereto, has been prepared by the City of New Rochelle, Westchester County, New York (the "City," "County," and "State," respectively) in connection with the sale by the City of the $9,408,000 Public Improvement (Serial) Bonds, 2017 (the "Bonds").

THE BONDS

Description of the Bonds

The Bonds are general obligations of the City, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State of New York (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the City is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, without limitation as to rate or amount, subject to the statutory limitation imposed by Chapter 97 of the Laws of 2011. See "Tax Increase Procedural Limitation Legislation" herein.

The Bonds will be issued in registered form, and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000 or integral multiples thereof, except for one necessary odd denomination. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable April 1 and September 1 in each year until maturity, commencing April 1, 2018. Principal and interest will be paid by the City to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein. The Bonds will be subject to redemption prior to maturity. The Record Date for the Bonds is the fifteenth day of the calendar month preceding each interest payment date.

Authority for and Purpose of the Bonds

The Bonds are issued pursuant to the Constitution and Laws of the State of New York, including among others, the City Law and the Local Finance Law, and bond resolutions duly adopted by the City Council on various dates. Certain details of the Bonds will be prescribed by certificates of the Commissioner of Finance executed pursuant to powers delegated to him to fix the terms, form and content of such serial bonds and to provide for the sale thereof.

Purpose. The proceeds of the Bonds will be used to provide original financing for the various new projects listed below.

Date Authorized	Purpose	Amount
2/7/17	Garbage Truck	$ 308,000
2/7/17	Main & Huguenot Traffic Signals	2,500,000
2/7/17	Fire Stations – Design & Structural Reconstruction	3,000,000
6/20/17	Sanitary Sewer Evaluation Survey (SSES)	3,000,000
7/11/17	Hudson Park Bathhouse	600,000
Total		$ 9,408,000

Optional Redemption of the Bonds

Call Provisions. The Bonds maturing on or before April 1, 2025 will not be subject to redemption prior to maturity. The Bonds maturing on April 1, 2026, 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 April 1, 2025 at par plus accrued interest to the redemption date.

Call Notification. If less than all of the Bonds of any maturity are to be redeemed, the particular bonds of such maturity to be redeemed shall be selected by lot, in any customary manner of selection, as determined by the City. Notice of such call for redemption shall be given by mailing such notice to the registered holder, not more than sixty (60) days nor less than thirty (30) days, prior to such date. Notice of redemption having been given as aforesaid, the bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable, together with interest, to such redemption date. Interest shall cease to be paid thereon after such redemption date (See "Book-Entry-Only System" for additional information concerning redemptions).

NATURE OF OBLIGATION

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

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

The Bonds 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 as required by the Constitution and laws of the State. For the payment of such principal and interest, the City has power and statutory authorization to levy ad valorem taxes on all real property within the City subject to such taxation by the City subject to applicable statutory limitations.

Book-Entry-Only System

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds 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 for each Bond maturity and will be deposited with DTC.

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

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

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Money Market Instruments (MMI) Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City 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 are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

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

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

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

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC, and the City takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company

ENFORCEMENT OF REMEDIES UPON DEFAULT

The following description of factors affecting the possible enforcement of remedies upon a default by the City is not intended to constitute legal advice and is not a substitute for obtaining the advice of counsel on such matters. Factors governing the availability of remedies against the City are complex and the obligations of the City, under certain circumstances, might not be enforced precisely as written.

General Municipal Law Contract Creditors' Provision. Each Bond when duly issued and paid for will constitute a contract between the City and the purchaser. Such contracts, if not honored, would generally be enforceable 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 apply if there were a default in the payment of the principal of and interest on the Bonds.

Unavailability of Remedies of Levy and Attachment. 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. Under 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.

Constitutional Non-Appropriation Provision. The Constitution of the State, Article VIII, Section 2, contains the following provision relating to the annual appropriation of monies for the payment of 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 owner of obligations issued for any such indebtedness." If the City were to fail to make a required appropriation, however, the ability of affected owners of City indebtedness to enforce this provision as written could be compromised or eliminated as described below under “Bankruptcy”, “State Debt Moratorium Law” and “Possible Priority of Continuation of Essential Public Services”.

Bankruptcy. The Federal Bankruptcy Code allows municipalities, such as the City, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Should the City file for relief under the Federal Bankruptcy Code there could be adverse effects on the owners of the Bonds.

The State, in Section 85.80 of the Local Finance Law, has authorized any municipality in the State to 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. Congress has enacted such a law in the form of the Federal Bankruptcy Code. Given the authority established in the aforesaid Section 85.80 of the Local Finance Law, the Federal Bankruptcy Code, under certain circumstances, can provide municipalities in New York with easier access to judicially approved adjustment of debt and can permit judicial control over identifiable and unidentifiable creditors.

Under the United States Constitution, Federal law is supreme and may be enforced irrespective of contrary state law. Accordingly, proceedings in accordance with the Federal Bankruptcy Code could result in an allocation of funds that fails to honor the faith and credit pledge required by the State Constitution.

No current State law purports to create any collateral or priority for owners of the Bonds 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 Bonds could be deemed unsecured obligations of the City in a bankruptcy case.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality that is insolvent, which generally means the municipality is 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. Any plan of adjustment can be confirmed by the court over the objections of creditors if the plan is found to be “fair and equitable” and in the “best interests of creditors.” The City may be able, without the consent and over the objection of owners of the Bonds, to impair and alter the terms and provisions of the Bonds, including the payment terms, interest rate, maturity date, and payment sources, as long as the bankruptcy court finds that the alterations are “fair and equitable.” If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

The rights of the owners of Bonds to receive interest and principal from the City and the enforceability of the City’s faith and credit pledge to pay such interest and principal 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 owners of debt obligations issued by the City (including the Bonds) to payment from monies retained in any fund or from other sources would be recognized if a petition were filed by or on behalf of the City under the Federal Bankruptcy Code. Such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally, or might even be directed to satisfy other claims instead of being paid to the owners of the Bonds.

Regardless of any specific adverse determinations in a bankruptcy proceeding of the City, the fact of such a bankruptcy proceeding could have an adverse effect on the liquidity and market value of the Bonds.

State Debt Moratorium Law. Unless the Federal Bankruptcy Code or other Federal Law applies, as described above, enforcement of the rights of Bond owners will generally be governed by State law. In 1975, a general State law debt service moratorium statute was enacted.

Under that legislation, 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 was suspended. 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, in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 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. Accordingly, State legislation materially limiting the timing or manner of actions to enforce the faith and credit pledge against an issuer of general obligation debt (including that portion of Title 6-A of Article 2 of the Local Finance Law enacted in 1975 authorizing any municipality in a State-declared financial emergency period to petition to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality) could be determined to conflict with the State Constitution and may not be enforceable.

The State Constitutional provision providing for first revenue set asides applies to the payment of interest on all indebtedness and to the payment of principal payments or bonds, but does not apply to pay payment of principal due on tax anticipation notes, revenue anticipation notes or bond anticipation notes.

Possible Priority of Continuation of Essential Public Services. In prior years, certain events and legislation affecting an owner's remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of note or bond owners, 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.

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.

MARKET FACTORS AFFECTING FINANCINGS OF THE STATE AND MUNICIPALITIES OF THE STATE

The financial and economic condition of the City as well as the market for the Bonds could be affected by a variety of factors, some of which are beyond the City’s control. 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, could occur which might affect the market price of and the market for the Bonds. 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, could be adversely affected.

There can be no assurance that the State appropriation for State aid to the City will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the City can be paid only if the State has such monies available therefor. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget and other circumstances, including State fiscal stress. In any event, State aid appropriated and apportioned to the City can be paid only if the State has such monies available therefor. (See "State Aid" herein).

Should the City fail to receive monies expected from the State in the amounts and at the times expected, the City is permitted to issue revenue anticipation notes in anticipation of the receipt of delayed State aid.

If and when a holder of any of the Bonds should elect to sell a Bond 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. In addition, the price and principal value of the Bonds is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note, would cause the bondholder or noteholder to incur a potential capital loss if such bond or note were sold prior to its maturity.

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

The enactment of Chapter 97 of the Laws of 2011 on June 24, 2011, which imposes a tax levy limitation upon municipalities, including the City, school districts, and fire districts in the State could have an impact upon operations of the City and as a result, the market price for the Bonds. (See "Tax Levy Limit Law," herein.)

THE STATE COMPTROLLER'S FISCAL STRESS MONITORING SYSTEM AND COMPLIANCE REVIEWS

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 ("OSC") 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**." For additional details regarding the Fiscal Stress Monitoring System visit the State Comptroller's official website. Note: Reference to websites implies no warranty of accuracy of information therein.

LITIGATION

The City is subject to a number of lawsuits in the ordinary conduct of its affairs. The City's insurance policies are more than adequate to cover the costs of extant and potential litigation. The City does not believe, however, that such suits, individually or in the aggregate, are likely to have a material adverse effect on the financial condition of the City. The City is a defendant in numerous pending tax certiorari proceedings, the results of which cannot be determined at this time. Any future refunds resulting from adverse settlements will be funded in the year in which the payments are made.

TAX MATTERS

Tax Exemption

The delivery of the Bonds is subject to the opinion of Bond Counsel to the effect that interest on the Bonds for federal income tax purposes (1) will be excludable from gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date of such opinion (the "Code"), pursuant to section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals or, except as hereinafter described, corporations. The statutes, regulations, rulings, and court decisions on which such opinion is based are subject to change.

Interest on the Bonds owned by a corporation will be included in such corporation's adjusted current earnings for purposes of calculating the alternative minimum taxable income of such corporation, other than an S corporation, a qualified mutual fund, a real estate investment trust, a real estate mortgage investment conduit, or a financial asset securitization investment trust ("FASIT"). A corporation's alternative minimum taxable income is the basis on which the alternative minimum tax imposed by Section 55 of the Code will be computed.

In rendering the foregoing opinions, Bond Counsel will rely upon representations and certifications of the City made in a certificate (the "Tax Certificate") dated the date of delivery of the Bonds pertaining to the use, expenditure, and investment of the proceeds of the Bonds and will assume continuing compliance by the City with the provisions of the Tax Certificate subsequent to the issuance of the Bonds. The Tax Certificate contains covenants by the City with respect to, among other matters, the use of the proceeds of the Bonds and the facilities financed therewith by persons other than state or local governmental units, the manner in which the proceeds of the Bonds are to be invested, the periodic calculation and payment to the United States Treasury of arbitrage "profits" from the investment of proceeds, and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Bonds to be includable in the gross income of the owners thereof from the date of the issuance.

Bond Counsel's opinion is not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described above. No ruling has been sought from the Internal Revenue Service (the "IRS") with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel's opinion is not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax-exempt obligations. If an audit of the Bonds is commenced, under current procedures the IRS is likely to treat the City as the "taxpayer," and the owners of the Bonds would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds, the City may have different or conflicting interests from the owners of the Bonds. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit, regardless of its ultimate outcome.

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

Except as described above, Bond Counsel expresses no opinion with respect to any federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Existing law may change so as to reduce or eliminate the benefit to holders of the Bonds of the exclusion of interest thereon from gross income for federal income tax purposes. Proposed legislative or administrative action, whether or not taken, could also affect the value and marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed changes in tax law.

Tax Accounting Treatment of Discount and Premium on Certain Bonds

The initial public offering price of certain Bonds (the "Discount Bonds") may be less than the amount payable on such Bonds at maturity. An amount equal to the difference between the initial public offering price of a Discount Bond (assuming that a substantial amount of the Discount Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bond. A portion of such original issue discount allocable to the holding period of such Discount Bond by the initial purchaser will, upon the disposition of such Discount Bond (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Bonds described above under "Tax Exemption." Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Bond, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such Discount Bond and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such interest may be required to be taken into account in determining the alternative minimum taxable income of a corporation, for purposes of calculating a corporation's alternative minimum tax imposed by Section 55 of the Code, and the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Bond by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Bond was held) is includable in gross income. Owners of Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Bonds.

The purchase price of certain Bonds (the "Premium Bonds") paid by an owner may be greater than the amount payable on such Bonds at maturity. An amount equal to the excess of a purchaser’s tax basis in a Premium Bond over the amount payable at maturity constitutes premium to such purchaser. The basis for federal income tax purposes of a Premium Bond in the hands of such purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by a purchaser is determined by using such purchaser's yield to maturity. Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

LEGAL MATTERS

The legality of the authorization and issuance of the Bonds will be covered by the unqualified legal opinion of Norton Rose Fulbright US LLP, Bond Counsel, of New York, New York. Such legal opinion will be delivered in substantially the form attached hereto in “Appendix E.”

DISCLOSURE UNDERTAKING

In accordance with the requirements of Rule 15c2-12 as the same may be amended or officially interpreted from time to time (the "Rule") promulgated by the Securities and Exchange Commission, the City has agreed to provide, at the time of delivery of the Bonds, an executed Annual and Continuing Disclosure Undertaking, in substantially the form attached hereto as "Appendix D".

The City is in compliance with all prior undertakings pursuant to the Rule. In certain years, the City has filed its annual financial information and audited financial statements later than sixty days following the receipt of the audited financial statements for the preceding fiscal year but within the twelve months following the close of a preceding fiscal year filing requirement.

FINANCIAL ADVISOR

Capital Markets Advisors, LLC has acted as Financial Advisor to the City in connection with the sale of the Notes.

In preparing the Official Statement, the Financial Advisor has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for the Official Statement, and the Financial Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Financial Advisor is not a public accounting firm and has not been engaged by the City to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards. The Financial Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Bonds.

RATING

Moody's Investors Service, Inc. (Moody's) has assigned the Bonds the rating of Aa2. Such ratings reflect only the view of such organizations and an explanation of the significance of such ratings may be obtained from such rating agencies as follows: Moody's Investors Service, Inc., 7 World Trade Center and 250 Greenwich Street, Public Finance Group – 23rd Floor, New York, New York 10007, (212) 553-0300; Standard & Poor's Ratings Services, 55 Water Street – 40th Floor, New York, NY 10041. There is no assurance that such ratings will continue for any given period of time or that one or more ratings will not be revised downward or withdrawn entirely by the rating agency that issued it, if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of any such rating may have an adverse effect on the market price of the Bonds.

ADDITIONAL INFORMATION

Periodic public reports relating to the financial condition of the City, its operations and the balances, receipts and disbursements of the various funds of the District are available for the public inspection at the business office of the City.

Additional information may be obtained from Tracy Yogman Commissioner of Finance at (914) 654-2063 tyogman@newrochelleny.com or from Capital Markets Advisors, LLC, the City's Financial Advisor, at (516) 274-4501.

The City will act as Paying Agent with respect to the Bonds. The Commissioner of Finance noted above should be used as the Paying Agent contact.

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

Capital Markets Advisors, LLC may place a copy of this Official Statement on its website at www.capmark.org. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Capital Markets Advisors, LLC has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the City nor Capital Markets Advisors, LLC assumes any liability or responsibility for errors or omissions on such website. Further, Capital Markets Advisors, LLC and the City disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Capital Markets Advisors, LLC and the City also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

This Official Statement is submitted only in connection with the sale of the Bonds by the City and may not be reproduced or used in whole or in part for any other purpose.

CITY OF NEW ROCHELLE

By: TRACY YOGMAN
Commissioner of Finance

DATED: September _______, 2017

APPENDIX A

THE CITY

THE CITY

General Information

The City was founded in 1899. The City's population is currently estimated at 79,557 according to the U.S. Department of Commerce Bureau of the Census in 2016. The City is located in the southern end of the County of Westchester in the southeastern portion of New York State on Long Island Sound, about 16 miles northeast of midtown New York City.

New Rochelle, the seventh-largest city in New York State, is a diverse and vibrant community. It has many positive attributes that support its reputation as the "Queen City of the Sound" and has a solid financial base:

- Despite recent downturns in the market, a continued strong housing stock having a market value of over $9 billion;

- An average single family home sales price of $550,000 based on most recent sales data; median household income of $65,317 as of 2010, exceeding State-wide averages;

- A property tax collection rate of over 99%, one of the highest in the State, and

- An excellent school system, including a centrally located high school that was cited as one of 114 "Distinguished High Schools" in the United States by the U.S. Department of Education;

- A # 13 ranking in the September 2014 issue of 24/7 Wall Street's "America's Best Cities to Live In" among 550 cities with populations of 65,000 or more based on factors such as crime rates, economic growth, educational attainment and housing affordability.

The City of New Rochelle has embarked upon a bold and ambitious multi-stage transformation that will be the largest economic undertaking in the City's 329 year history. This New Rochelle Redevelopment Action plan includes goals that could result in roughly one million square feet of retail and restaurant space in the core downtown area, with over two million square feet of office space, up to 5,500 residential units and a mix of hotel rooms, adult care and independent living units, cultural attractions and significantly expanded parking.

The plan includes retrofitting vacant buildings for productive re-use; increasing the City's tax base; generating jobs and career opportunities to help retain current residents and attract new ones; leveraging Metro North's plan to run trains from New Rochelle to both Grand Central Station and Penn Station, making New Rochelle the only Westchester County community to offer that choice; integrating innovative downtown parking solutions; and incorporating sustainable, yet economical, smart growth elements where feasible.

The City has partnered with a master developer to implement the City's requirements for turning development goals and objectives into reality. To date, an action plan resulting in comprehensive zoning changes to allow for this development has been approved by the City Council and as a result many new developments have progressed and building has begun with new project commitments on the horizon.

The City's aging infrastructure must be updated, solidified and enhanced, and like other communities, the City has deferred investment in infrastructure as a result of lean budget years and the State imposed tax cap legislation restrictions. The City Council conducted a policy setting exercise earlier this year recognizing that an investment must be made in order to both maintain existing infrastructure and accommodate the proposed growth of the City. As a result, the City Council directed staff to develop a ten-year capital plan to strategically fund this investment. The plan will be funded through development fees, grants, partnerships, use of fund balance, bond issuance and a one-time tax increase of 4.84%. The ten-year capital strategy addresses the need to accommodate the City's demographic and economic growth while maintaining the existing infrastructure, and improving the quality of life for residents.

The City intends to invest $149.9 million in capital projects over the next ten years City-wide. The plan includes improvements in Community Services and Public Facilities, Economic Growth and Business Development, Neighborhood Resiliency, Parks and Natural Resources, Streets and Sidewalks and Vehicle and Equipment Projects. The ten-year capital program will be funded with long-term borrowing; grants and other special funds; fund balance and the proposed one-time tax increase. Debt service for these new projects has been incorporated into the budget proposal.

Form of City Government

In 1932, New Rochelle adopted the council-manager form of government. Six council members are elected by districts, and a mayor is elected at large, for four-year terms. The City is managed by a professional City Manager, retained by the City Council, who is supported by six commissioners, who administer the Departments of Development, Finance, Fire, Police, Parks and Recreation and Public Works.

Budgetary Procedures

The City follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

a) On or before the tenth day of November of each year, the City Manager prepares and submits to the City Council a budget estimate presenting a financial plan for conducting the affairs of the City for the subsequent fiscal year.

b) Upon receipt of the City Manager's budget estimate, the Council considers the same and, after publication, holds a public hearing.

c) The resolution fixing the date, time and place for the public hearing may be adopted before the Manager submits the budget estimate to the Council, but the date so fixed must be not less than twenty days from the date of the publication of the budget estimate in the official newspaper.

d) Not less than one week after the public hearing, the Council adopts the budget estimate as submitted or amended, which then becomes the annual budget, and at the same time appropriates the amounts set forth in the budget as adopted and for the purposes stated therein.

e) Formal budgetary integration is employed during the year as a management control device for governmental funds.

f) Budgets for General, Special Revenue and Debt Service funds are adopted on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis.

g) The City Council maintains control of the budget at the function level of expenditures.

h) Appropriations in General, Special Revenue and Debt Service funds lapse at the end of the fiscal year except that outstanding encumbrances and grants are re-appropriated in the succeeding year.

Financial Organization

Subject to the State Constitution, the City operates pursuant to the City Charter and in accordance with other laws governing the City, including the General City Law, the General Municipal Law and the Local Finance Law, to the extent that such laws are applicable to the City under its charter form of government.

State Aid and Financial Condition of the State

The City receives financial assistance from New York State. In its General Fund budget for the 2017 fiscal year, approximately 6.7% of the operating revenues of the City are estimated to be received in the form of State aid. 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 City, in any year the City 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 City, 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 City. No assurance can be given that present State aid levels will be maintained in the future. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the City, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures (see also "Market Factors Affecting Financing of the State and Municipalities of the State" herein).

Employees

The City currently employs 607 budgeted full-time employees and 24.5 part time employees as of January 1, 2017. The following is a breakdown of budgeted positions by the collective bargaining agents which represent them and the dates of expiration of their agreements.

Employee Organization	Expiration Date	Budgeted No. of Employees
Civil Service Employees Association	12/31/20	100
Police Association of New Rochelle, N.Y., Inc.	12/31/19	122
Superior Officers Association	12/31/19	37
AFL-CIO Local 663	12/31/17	139
Uniformed Fire Fighters Association, Inc.	12/31/20	150
School Crossing Guards	12/31/19	17
Superior Fire Officer's Association	12/31/20	5

Pension Benefits

Substantially all employees of the City are members of the 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"), a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefit to employees are governed by the State Retirement System and Social Security Law (the "Retirement System Law"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after ten years of credited service. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts which are collected through annual billings to all participating employers. Generally, all full-time employees participate in the Retirement System. ERS is non-contributory with respect to members hired prior to July 27, 1976. All ERS members hired between July 27, 1976 and March 15, 2012, with less than 10 years of service, must contribute 3% of gross annual salary toward the cost of retirement programs. All ERS members hired on or after March 16, 2012 must contribute between 3 and 6% of gross annual salary toward the cost of retirement programs.

Historically there has been a state mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement System in the 1990s, the locally required annual contribution declined to zero. However, after a subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially to 11% to 15% (percentage dependent on tier) of payroll for employees' retirement systems, respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments. While the City is aware of the potential negative impact on its budget and will take the appropriate steps to budget accordingly for the increase, there can be no assurance that its financial position will not be negatively impacted.

Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and the Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program for ERS. The reform program established a minimum contribution for any local governmental employer equal to 4.5% of pensionable salaries for bills which were due December 15, 2003 and for all fiscal years thereafter, as a minimum annual contribution where the actual rate would otherwise be 4.5% or less due to the investment performance of the fund. In addition, the reform program instituted a billing system to match the budget cycle of municipalities and school districts that will advise such employers over one year in advance concerning the actual pension contribution rates for the next annual billing cycle. Under the previous method, the requisite ERS contributions for a fiscal year could not be determined until after the local budget adoption process was complete. Under the new system, a contribution for a given fiscal year will be based on the valuation of the pension fund on the prior April 1 of the calendar year preceding the contribution due date instead of the following April 1 in the year of contribution so that the exact amount may now be included in a budget.

On July 30, 2004, Governor Pataki signed into law Chapter 260 of the Laws of 2004 ("Chapter 260"). Chapter 260 contains three components which altered the way municipalities and school districts contribute to the State pension system:

(1) revision of the payment due date, (2) extension of the period of time for pension debt amortization, and (3) authorization to establish a pension reserve fund. Prior to the effective date of the provisions of Chapter 260, the annual retirement bill sent to municipalities and school districts from the State had reflected pension payments due between April 1 and March 31, consistent with the state fiscal year.

Chapter 260 provided for the following changes:

- Contribution Payment Date Change: The law changed the date on which local pension contributions are due to the State. The annual required contribution became due February 1 annually instead of December 15.

- Pension Contributions Reserve Fund: The law creates special authorization to create a new category of reserve fund under the General Municipal Law. Municipalities and school districts may now establish a retirement contribution reserve fund that can be funded from other available current government resources.

The investment of monies, and assumptions underlying same, of the Retirement Systems covering the City's employees is not subject to the direction of the City. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the Retirement Systems ("UAALs"). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the City which could affect other budgetary matters. Concerned investors should contact the Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems.

On December 10, 2009, then Governor Paterson signed into law pension reform legislation. The legislation created a new Tier 5 pension level, the most significant reform of the State's pension system in more than a quarter-century. Key components of Tier 5 include:

- Raising the minimum age at which civilian can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62.

- Requiring employees to continue contributions of 3% of their salaries toward pension costs so long as they accumulate additional pension credits.

- Increasing the minimum years of service required to draw a pension from five years to 10 years.

- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at $15,000 per year, and for police and firefighters at 15% of non-overtime wages.

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

The City amortized pension payments in 2011; however, the City has not done so since and has no plans to amortize such payments in the future. All pension payments have been made in December of each year to take advantage of the cash discount offered by the State of New York.

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

Fiscal Year Ending December 31	Employees' Retirement System	Policemen's and Firemen's Retirement System	Total
2012	$3,316,290	$8,230,876	$11,547,166
2013	3,830,862	10,406,359	14,237,221
2014	3,904,446	9,625,487	13,529,933
2015	3,585,296	8,578,119	12,163,415
2016	3,319,527	8,580,815	11,900,342
2017 (Budget)	3,289,099	8,952,094	12,241,193

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. GASB Statement No. 45 ("GASB 45") of the Governmental Accounting Standards Board ("GASB") requires governmental entities, such as the City, to account for the cost of certain non-pension post-employment benefits as it accounts for vested pension benefits.

OPEB refers to "other post-employment benefits," and refers to benefits other than pension benefits. OPEB consists primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Before GASB 45, OPEB costs were generally accounted for and managed as current expenses in the year paid and were not reported as a liability on governmental financial statements.

GASB 45 requires municipalities and school districts to account for OPEB liabilities much like they already account for pension liabilities, generally adopting the actuarial methodologies used for pensions, with adjustments for the different characteristics of OPEB and the fact that most municipalities and school districts had not set aside any funds against this liability. Unlike GASB Statement No. 27, which covers accounting for pensions, GASB 45 does not require municipalities or school districts to report a net OPEB obligation at the start.

Under GASB 45, based on actuarial valuation, an annual required contribution ("ARC") will be determined for each municipality or school district. 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 or school district 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 45 does not require that the unfunded liability actually be amortized nor that it be advance funded, only that the municipality or school district account for its unfunded accrued liability and compliance in meeting its ARC. The City hired an actuarial firm for the actuarial valuation and for year beginning January 1, 2016, they calculated an ARC of $18,370,000 and a UAAL of $227,780,000. The City's UAAL for OPEB could have a material adverse impact upon the City's finances and could force the City to reduce expenses, raise taxes or both. The City is in compliance with the requirements of GASB 45, although the City has not completely funded the ARC in any year and has no plans to do so in the near future. Additional information about GASB 45 and other accounting rules applicable to municipalities and school districts may be obtained from GASB.

The City will be required to complete a new actuarial valuation under GASB 45 every two years.

Larger Employers

Employer	Type	Approximate Number of Employees
New Rochelle City School District	Public Schools	1,500
Montefiore New Rochelle Hospital	Hospital	750
City of New Rochelle	Municipality	599
Iona College	College	573
Monroe College	College	494
United Hebrew Geriatric Center	Nursing Home	400
Home Depot	Retail	350
College of New Rochelle	College	347
Surf Club	Entertainment	300
Shop Rite	Retail	300

Population Trends

Year	Population
1970	75,385
1980	70,794
1990	67,265
2000	72,182
2010	77,062
2015	79,027

Sources: U.S. Census, New York State Department of Commerce and City estimates.

Selected Wealth and Income Indicators

	City	County	State
Median Household Income	$ 66,770	$ 79,585	$ 55,233
Per Capita Income	40,810	47,204	30,634
Median Housing Value	596,800	559,800	300,600

Source: U.S. Department of Commerce, Bureau of Census. Data collected from 2010 census.

Unemployment Rate Statistics

YEAR AVERAGE

	2012	2013	2014	2015	2016
City of New Rochelle	8.2%	6.9%	5.9%	5.3%	4.8%
Westchester County	7.2%	6.3%	5.2%	4.6%	4.2%
New York State	8.5%	7.7%	6.4%	5.3%	4.8%

2017 MONTHLY FIGURES

	Jan	Feb	Mar	Apr	May	Jun	Jul
City of New Rochelle	5.8%	6.1%	5.3%	4.8%	4.5%	4.8%	4.8%
Westchester County	4.5%	4.8%	4.1%	4.1%	4.1%	4.5%	4.6%
New York State	4.9%	5.0%	4.4%	4.2%	4.3%	4.5%	4.9%

Source: State of New York, Department of Labor. (Note: Figures not seasonally adjusted).

Other Information

The statutory authority for the power to spend money for the objects or purposes, or to accomplish the objects or purposes for which the Bond are to be issued, is the General Municipal Law, the Local Finance Law and the City Law.

The City is in compliance with such estoppel procedure for the Bonds, as provided in Title 6 of Article 2 of the Local Finance Law.

Except to the extent shown in "Estimated Overlapping Indebtedness", this Official Statement does not include the financial data of any other political subdivision having power to levy taxes upon property within the City.

No principal of or interest upon any obligation of the City is past due.

The fiscal year of the City is the calendar year.

FINANCIAL FACTORS

Financial Statements

The City retains independent certified public accountants. The last audited report covers the period ending December 31, 2016. In addition, the State Comptroller's office, through the Department of Audit and Control, periodically performs a compliance review to ascertain whether the City has complied with the requirements of various State and Federal statutes.

The accounting policies of the City conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The City's Comprehensive Annual Financial Reports for the years ended December 31, 1986 - 2016, from which the information in Appendices B and B-2 has been drawn, were awarded the Certificate of Achievement for excellence in financial reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only.

A summary of Revenues, Expenditures and Fund Balance (General Fund) is included as Appendix B. Budget Results (General Fund) is included as Appendix B-1. Balance Sheets (General Fund) are included as Appendix B-2.

TAX INFORMATION

Real Property Valuations

Year Ending December 31:	2013	2014	2015	2016	2017
Assessed Valuation	$270,055,515	$268,901,252	$266,146,237	$265,016,649	$266,508,706
Equalization Rate	2.96%	2.99%	2.93%	2.93%	2.91%
Full Valuation	$9,123,497,128	$8,993,352,910	$9,083,489,317	$9,044,936,826	$9,158,374,777

Property Tax Rate Per $1,000 Assessed Valuation

Year Ending December 31:	2013	2014	2015	2016	2017
City Taxes	$198.50	$202.59	$208.36	$210.95	$225.21
County Taxes	174.79	185.30	183.39	177.41	171.73
Total Taxes on Roll	$373.29	$387.89	$391.75	$388.36	$396.94

Property Tax Levy and Collection Record

Year Ending December 31:	2013	2014	2015	2016	2017
Total Taxes on Roll	$109,650,925	$112,795,101	$112,640,525	$111,847,866	$114,308,513 [1]
Collected During Year	108,415,027	111,386,760	111,435,884	110,796,592	67,214,873 [1]
Amount Uncollected End of Year	1,235,898	1,408,341	1,204,641	1,051,274	47,093,640 [1]
% Uncollected End of Year	1.13%	1.24%	1.07%	0.93%	41.20% [1]

[1] Total taxes collected as of May 31, 2017, inclusive of City & County taxes.

Property Tax Collection Procedure

The City collects its own current taxes and delinquent taxes. In addition, the City acts as collecting agent for New Rochelle School District and Westchester County taxes. The City remits to the School District (2 years after the date the taxes are past due) and to the County (in the year of levy) the full amount of their respective tax levies. The City regularly includes in its levy an allowance for uncollected taxes and for deferred tax revenues. These amounts have historically been sufficient to compensate for any shortfall in collections of City, School District, and County taxes.

City and County taxes are payable in one installment each due January 1 and June 1, respectively, each installment becoming delinquent thirty-one days after the respective due date. Interest at two percent per month is charged during the period of delinquency. A 5% additional penalty is charged for delinquent school taxes.

Unpaid taxes levied against real property situated in the City may be redeemed and repaid by payment of the amount due the City plus 24% interest per annum until "in rem" foreclosure action is commenced. Amounts paid by the City are included in the annual budget as uncollected taxes and constitute a lien held by the City.

Tax Levy Limit Law

Although the State Legislature is limited by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay "interest on or principal of indebtedness theretofore contracted", the State Legislature may from time to time impose additional limitations on the ability to issue new indebtedness or to raise taxes therefor.

Chapter 97 of the Laws of 2011, as amended, (the "Tax Levy Limit Law" or the "Law"), generally applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities to levy certain year-to-year increases in real property taxes.

The City is subject to the Tax Levy Limit Law, beginning with the City's budget for its fiscal year beginning January 1, 2012. Pursuant to the Tax Levy Limit Law, additional procedural requirements are imposed if a municipality seeks to increase the tax levy by more than the lesser of (1) two percent (2%) or (ii) the annual increase in the consumer price index, over the amount of the City's prior year's tax levy (the "Tax Levy Increase Limit"). In the event the City seeks to adopt a budget requiring a tax levy exceeding the Tax Levy Increase Limit, a favorable vote of at least five members of the seven-member City Council would be required. The City Council would also be required to act by Local Law rather than simply by resolution, and a public hearing would be required.

The Law permits certain exceptions to the Tax Levy Increase Limit. The City may levy taxes exceeding the Tax Levy Increase Limit, if necessary, to support the following expenditures: (i) funds needed to pay judgments arising out of tort actions that exceed five percent of the total tax levied by the City in the prior fiscal year and (ii) required pension payments (but only that portion of such payments attributable to the average actuarial contribution rate exceeding two percentage points). Taxes necessary for these expenditures will not be included in the calculation of the Tax Levy Increase Limit.

The Law also provides for adjustments to be made to the City's Tax Levy Increase Limit based upon changes in the assessed value of the taxable real property in the City. Additionally, the City will be permitted to carry forward a certain portion of its unused tax levy capacity from the prior year.

Bonds of the City issued prior to the June 24, 2011 effective date of the Tax Levy Limit Law are payable from real property taxes that can be levied as necessary without regard to any Constitutional or statutory limit. Inasmuch as the Law has no exclusion for principal and interest on notes and bonds, however, levies required to pay principal and interest on notes and bonds will be included in the calculation of the Tax Levy Increase Limit. In the absence of administrative or judicial guidance, the long-term effect of the Law on the City's finances and its ability to continue to levy taxes sufficient to both pay debt service on pre June 24, 2011 and post June 24, 2011 notes and bonds and meet its other governmental responsibilities is uncertain.

Constitutional Tax Margin

Computation of Constitutional Tax Margin for fiscal years ending December 31:

	2016	2017
Five Year Average Full Valuation	$9,129,211,416	$9,080,730,192
Tax Limit - 2% of Five Year Average	182,584,228	181,614,604
Add: Exclusions From Tax Limit	8,037,727	8,513,184
Total Taxing Power	190,621,955	190,127,788
Less Total Levy	55,905,721	60,020,340
Tax Margin	$ 134,716,234	$ 130,107,448

Larger Taxpayers

Name	Type	2017 Assessed Valuation
Con Edison of NY	Public Utility	$10,602,698
United Water New Rochelle	Public Utility	2,172,491
New Roc Associates LP	Entertainment	1,903,200
Harbor One Company LLC	Apartment Building	1,457,350
HD Development of Maryland	Retail Services	780,000
Palmer-Petersville Assoc LP	Retail Services	727,900
GHP 145 Huguenot Delaware, LLC	Office Building	725,000
Costco Wholesale Corp.	Retail Services	693,550
210-220-230 Owners Corp.	Apartment Building	652,475
Joyce Road E & A LLC	Retail Services	655,000

Sales and Compensating Use Taxes

Section 1210 of the New York Tax Law (the "Tax Law") authorizes counties to levy sales and compensating use taxes of up to 3% in addition to the 4.25% sales tax levied by the State. The Tax Law also permits cities to impose certain sales and compensating use taxes within their city limits preemptively. Sales and compensating use taxes are collected by the State and distributed on a monthly basis.

The City levies the maximum 3% sales and compensating use tax permitted by the Tax Law. Through August 31, 1993 the County received 1.5% and the City received 1.5%. Effective September 1, 1993, Section 1210 was amended to empower the City to impose an additional 1% sales tax through December 31, 1995. Legislation has been enacted to extend the increased sales tax rate through December 31, 2017.

The sales and compensating use tax collections as recorded by the City for each of the last five fiscal years are as follows:

Year	Amount Received
2012	$25,444,381
2013	26,143,461
2014	26,655,117
2015	27,558,972
2016	28,364,976
2017 (Budget)	29,000,000

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

Purpose and Pledge. Subject to certain enumerated exceptions, 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.

General. The City is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such powers. 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 Chapter 97 of the Laws of 2011 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 Limit Law, though such limitations can be overridden. See "Tax Increase Procedural Limitation Legislation," above.

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal year periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute, and unless substantially level or declining annual debt service is authorized and utilized, no installment may be more than fifty per centum in excess of the smallest prior installment. The City is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

Debt Limit. The City has the power to contract indebtedness for any City purpose. The outstanding principal amount thereof, shall not exceed seven per centum of the average full valuation of taxable real estate of the City, subject to certain enumerated exclusions and deductions, such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Board of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum 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 of and interest on all indebtedness. However, the Tax Levy Limit 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 Limit Law, though such limitations can be overridden. See "Tax Increase Procedural Limitation Legislation," above.

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the debt limit of the City is calculated by taking 7% of the latest five year average of the full valuation of all taxable real property.

Statutory Procedure

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

Pursuant to the Local Finance Law, the City authorizes the issuance of bonds by the adoption of a bond resolution approved by at least two-thirds of the members of the Common Council, the finance board of the City. Customarily, the City Council has delegated to the Commissioner of Finance, as chief fiscal officer of the City, the power to authorize and sell bond anticipation notes in anticipation of authorized bonds.

The Local Finance Law also provides that where a bond resolution is published with a statutory form of notice, the validity of the bonds authorized thereby, including bond anticipation notes issued in anticipation of the sale thereof, may be contested only if:

(1) Such obligations are authorized for a purpose for which the City is not authorized to expend money, or

(2) There has not been substantial compliance with the provisions of law, which should have been complied with in the authorization of such obligations

and an action contesting such validity, is commenced within twenty days after the date of such publication, or,

(3) Such obligations are authorized in violation of the provisions of the constitution.

Except on rare occasions the City complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not required by law.

Each bond resolution usually authorizes bonds for 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.

Expenditures for financeable objects or purposes are usually capital expenditures, but the Local Finance Law permits short and long term financing of certain non-capital expenditures and assigns them a period of probable usefulness.

The City Council, as the finance board of the City, has the power to enact bond resolutions. In addition, such finance board has the power to authorize the sale and issuance of obligations. However, such finance board may delegate the power to sell the obligations to the Commissioner of Finance, as the chief fiscal officer of the City, pursuant to the Local Finance Law.

Statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first of such notes and provided that such renewals generally do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein, and "Details of Outstanding Indebtedness" herein).

The Local Finance Law also contains provisions providing the City with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes and budget notes (see "Details of Outstanding Indebtedness" herein).

Debt Outstanding End of Fiscal Year

As of December 31:	2012	2013	2014	2015	2016
Bonds	$76,530,000	$68,125,000	$66,152,500	$58,470,000	$51,480,000
Bond Anticipation Notes	5,971,000	11,512,000	7,564,370	9,990,370	11,824,651
Other Debt[1]	-0-	-0-	-0-	-0-	-0-
Total Debt Outstanding	$82,501,000	$79,637,000	$73,716,870	$68,460,370	$63,304,651

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the City as of September 20, 2017.

	Maturity	Amount
Bonds	2018-2027	$46,380,000
Bond Anticipation Notes	March 3, 2018	14,277,702
Total Debt Outstanding		$60,657,702

Computation of Debt Limit

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of September 20, 2017.

Five-Year Average Full Valuation of Taxable Real Property			$9,080,730,192
Debt Limit - 7% thereof			635,651,113
Inclusions:			
Bonds	$46,380,000		
Bond Anticipation Notes	14,277,702		
Total Inclusions		$60,657,702	
Exclusions			
Appropriations	0		
Total Exclusions		0	
Total Net Indebtedness			60,657,702
Net Debt-Contracting Margin			$574,993,411

The percent of debt-contracting power exhausted is approximately 9.5%.

Bond Principal and Interest Maturity Table

The following table shows the debt service requirements to maturity of the City's outstanding bonds.

Fiscal Year Ending December 31st	Principal	Interest	Total Principal & Interest
2018	$6,810,000	$1,493,175	$8,303,175
2019	6,535,000	1,275,360	7,810,360
2020	6,745,000	1,053,029	7,798,029
2021	6,965,000	816,484	7,781,484
2022	7,205,000	565,276	7,770,276
2023	5,300,000	299,288	5,599,288
2024	3,745,000	131,663	3,876,663
2025	705,000	35,276	740,276
2026	330,000	14,738	344,738
2027	340,000	5,100	345,100
Totals	$44,680,000	$5,689,389	$50,369,389

Authorized but Unissued Items

Following the sale of the Bonds, the authorized and unissued obligations of the City will consist of the following:

Purpose	Amount
Design and construction of a new public works facility	$28,000,000
Repairs of sanitary and storm sewers City-wide	200,000
City Hall Energy Improvement Project	75,000
Widening and Creation of Pedestrian Areas-North Avenue Bridge	1,000,000
Total	$29,275,000

Estimated Overlapping Indebtedness

In addition to the City, the following political subdivisions have the power to issue debt and to levy taxes, or to cause taxes to be levied, on taxable real property in the City. The estimated overlapping indebtedness as of the close of the latest available fiscal years for such political subdivisions is as follows:

	Total Indebtedness	Total Indebtedness Applicable to the City
County of Westchester	$1,370,150,628	$83,716,203 [1]
New Rochelle City SD	68,916,236	68,916,236
Total	$1,439,066,864	$152,632,439

Source: State Comptroller's Report on Municipal Affairs for the fiscal year ending in 2015.
[1]Computed at 6.11% of County indebtedness based upon the ratio of the taxable full valuation of the City to the County.

Debt Ratios

The following table sets forth certain ratios relating to the City's indebtedness as of September 20, 2017:

	Amount of Indebtedness[1]	Per Capita[2]	Percentage of Full Valuation[3]
Gross Indebtedness	$60,657,702	$762.44	0.66%

[1] See "Computation of Debt Limit".
[2] The City's 2016 population is 79,557.
[3] The City's full valuation of taxable real estate for 2017 is $9,158,374,777.

INVESTMENT POLICY

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

Annually, the City Council adopts an investment policy consistent with the above statutory limitations. It is the City's current practice to invest only in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States where the payment of principal and interest is guaranteed by the United States of America. This practice is subject to change within the limits of applicable law, as amended from time to time.

End of Appendix A

APPENDIX B

COMPREHENSIVE ANNUAL FINANCIAL REPORT SUMMARIES AND BUDGETS

City of New Rochelle **APPENDIX B**

Revenues, Expenditures and Fund Balance - General Fund

Year Ended December 31:	2012	2013	2014	2015	2016
REVENUES					
Real Property Taxes	$50,352,438	$53,831,993	$54,928,686	$56,073,614	$56,817,575
Other Tax Items	2,228,097	2,927,737	2,439,315	2,770,713	2,252,424
Non Property Tax Items	28,494,313	29,275,917	30,040,216	31,000,374	31,848,822
Departmental Income	8,929,187	11,310,083	9,989,458	11,038,139	12,482,098
Intragovernmental Charges	2,567,333	2,584,694	2,705,077	2,585,225	2,669,905
Intergovernmental Charges	54,964	45,394	64,642	64,150	89,094
Use of Money and Property	352,017	307,606	343,836	265,157	355,432
Licenses & Permits	1,943,362	2,235,412	2,395,764	3,650,870	3,820,193
Fines & Forfeitures	3,020,159	2,787,954	2,827,622	2,817,510	3,140,913
Sale of Property and Compensation for Loss	92,002	97,503	77,907	98,785	79,056
Revenues from State Sources	8,710,855	9,578,354	8,755,993	9,360,279	9,432,891
Revenues from Federal Sources	1,766,354	1,156,092	1,310,118	406,036	140,653
Miscellaneous	2,099,835	1,790,988	1,968,397	1,930,401	1,809,277
Total Revenues	110,610,916	117,929,727	117,847,031	122,061,253	124,938,333
EXPENDITURES					
General Government Support	14,461,221	15,231,063	15,660,072	16,124,728	16,442,499
Public Safety	60,243,704	64,744,925	63,808,349	62,940,715	62,777,246
Transportation	4,699,356	5,561,412	6,254,880	6,521,419	5,737,013
Economic Assistance & Development	1,366,348	1,432,548	1,458,810	1,436,698	1,509,143
Culture & Recreation	4,130,879	4,500,584	4,678,082	4,488,370	4,446,343
Home & Community Services	10,289,533	10,216,039	9,783,476	9,527,649	9,856,506
Employee Benefits	6,794,936	6,869,123	6,912,553	7,236,164	7,733,446
Debt Service	20,223	52,618	51,249	50,727	66,893
Total Expenditures	102,006,200	108,608,312	108,607,471	108,326,470	108,569,089
Excess of Revenues Over Expenditures	8,604,716	9,321,415	9,239,560	13,734,783	16,369,244
Other Financing Sources (Uses):					
Sale of Real Property	7,843	632,500	0	307,894	0
Bond Anticipation Notes Issued	800,000	800,000	0	0	0
Insurance Recoveries	60,333	232,687	87,097	119,606	45,777
Operating Transfers In	1,672,451	1,665,222	1,594,864	222,164	81,588
Operating Transfers Out	(8,183,952)	(9,163,676)	(9,609,151)	(9,434,630)	(11,377,174)
Total Other Financing Uses	(5,643,325)	(5,833,267)	(7,927,190)	(8,784,966)	(11,249,809)
Net Change in Fund Balance	2,961,391	3,488,148	1,312,370	4,949,817	5,119,435
Fund Balances(Deficits) - Beginning of Year	5,462,536	8,423,927	11,912,075	13,224,445	18,174,262
Fund Balances - End of Year	$8,423,927	$11,912,075	$13,224,445	$18,174,262	$23,293,697

Source: Annual audited financial statements of the City of New Rochelle. Summary itself not audited.

City of New Rochelle **APPENDIX B-1**

Budget Results - General Fund

Year Ended December 31:	2016 Adopted Budget	2017 Adopted Budget
REVENUES		
Real Property Taxes	$56,003,331	$60,848,364
Other Tax Items	3,077,000	2,344,000
Non Property Tax Items	31,050,000	31,820,000
Departmental Income	9,364,000	10,718,960
Intergovernmental Charges	2,522,981	4,654,517
Use of Money and Property	275,300	280,300
Licenses & Permits	2,594,500	2,419,850
Fines & Forfeitures	2,905,000	3,115,000
Sale of Property and Compensation for Loss	132,000	137,100
Revenues from State Sources	41,000	43,000
Revenues from Federal Sources	8,845,730	8,856,865
Miscellaneous	266,000	266,000
Total Revenues	117,076,842	125,503,956
EXPENDITURES		
General Government Support	19,770,461	21,058,553
Public Safety	64,488,695	65,279,098
Transportation	5,713,194	8,358,965
Economic Assistance and Development	2,710,460	1,605,504
Culture & Recreation	3,033,017	4,885,065
Home & Community Services	8,322,470	8,580,554
Employee Benefits	7,702,335	8,544,335
Debt Service	2,097,158	2,774,922
Total Expenditures	113,837,790	121,086,996
Excess of Revenues Over Expenditures	3,239,052	4,416,960
Other Financing Sources (Uses):		
Bond Anticipation Notes Issued	0	0
Operating Transfers In	3,703,517	3,001,534
Operating Transfers Out	(6,942,569) [1]	(7,418,494) [1]
Total Other Financing Uses	(3,239,052)	(4,416,960)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-	-
Fund Balance - Beginning of Year	0 [2]	0 [2]
Fund Balance - End of Year	$0	$0

[1] Operating Transfers Out includes transfers to the Debt Service Fund to pay principal and interest on debt issued for non-enterprise capital purposes.

[2] Anticipated fund balance budgeted as revenue.

Source: Annual budgets of the City of New Rochelle.

City of New Rochelle **APPENDIX B-2**

Balance Sheets - General Fund

As of December 31:	2012(1)	2013(1)	2014	2015	2016
ASSETS					
Cash and equivalents	$10,121,782	$18,864,732	$14,816,248	$25,154,450	$13,208,792
Investments	3,862,505	3,424,699	5,637,849	4,251,615	4,616,664
Taxes receivable, net of allowance for uncollectible amounts	6,951,926	6,195,224	6,004,452	5,626,027	5,084,703
Other receivables, net of allowance for uncollectible amounts	7,083,543	6,172,613	6,538,852	6,880,768	8,149,485
Inventories	13,679	12,636	12,319	12,283	12,283
Prepaid Expenditures	3,623,393	4,154,762	4,757,945	2,374,964	2,323,919
TOTAL ASSETS	$31,656,828	$38,824,666	$37,767,665	$44,300,107	$33,395,846
LIABILITIES					
Accounts payable	$4,654,188	$5,785,128	$5,138,660	$5,529,978	$2,033,745
Accrued Liabilities	1,999,727	2,354,281	1,072,537	1,410,634	2,415,740
Retained Percentages Payable	0	1,189	2,600	10,544	3,548
Due to school district	4,086,926	3,233,837	2,865,619	2,856,446	2,369,767
Due to other governments	3,312	2,697	2,472	3,056	257,083
Due to other funds	8,672,924	11,901,118	12,143,399	13,423,679	528,309
Unearned revenues	336,364	244,083	249,129	139,056	35,430
Deferred tax revenue	3,479,460	3,390,258	3,068,804	2,752,452	2,458,527
TOTAL LIABILITIES	23,232,901	26,912,591	24,543,220	26,125,845	10,102,149
FUND BALANCES					
Nonspendable	3,637,072	4,167,398	4,770,264	2,387,247	2,336,202
Committed	300,000	300,000	300,000	300,000	300,000
Assigned	1,310,739	1,313,605	1,508,592	1,705,112	4,466,724
Unassigned	3,176,116	6,131,072	6,645,589	13,781,903	16,190,771
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
TOTAL FUND BALANCES	8,423,927	11,912,075	13,224,445	18,174,262	23,293,697
TOTAL LIABILITIES AND FUND BALANCES	$31,656,828	$38,824,666	$37,767,665	$44,300,107	$33,395,846

(1) Components of fund balance were reclassified with the December 31, 2012 and 2013 implementation of Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

Source: Annual audited financial statements of the City of New Rochelle. Summary itself not audited.

APPENDIX C

COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2016*

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/ER1060012-ER830245-ER1231198.pdf

*** Prepared by the Department of Finance. Tracy Yogman, Finance Commissioner.**