

This Preliminary Offering Statement and the information contained herein are subject to completion or amendment without notice. Under no circumstances shall this Preliminary Offering Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities, in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

## **PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 7, 2018**

### **NEW AND RENEWAL ISSUE**

### **BOND ANTICIPATION NOTES**

*In the opinion of Bond Counsel, under existing statutes, regulations, administrative rulings, and court decisions, and assuming continuing compliance by the Town with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), and the accuracy of certain representations made by the Town, interest on the Notes is excluded from gross income of the owners thereof for Federal income tax purposes and is not an "item of tax preference" for purposes of the Federal alternative minimum tax imposed on individuals and, for tax years beginning prior to January 1, 2018, the federal alternative minimum tax imposed on corporations; interest on the Notes and the Notes is, however, included in "adjusted current earnings" for purposes of calculating the Federal alternative minimum tax imposed on certain corporations with respect to tax years beginning prior to January 1, 2018. Bond Counsel is also of the opinion that under existing statutes interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The Town of New York). No opinion is expressed regarding other Federal or State tax consequences arising with respect to the. See "TAX MATTERS" herein.*

*The Notes will be designated or deemed designated by the Town as "qualified tax-exempt obligations" pursuant to the provisions of Section 265 of the Code.*

## **TOWN OF STONY POINT ROCKLAND COUNTY, NEW YORK**

**\$2,107,616**

### **BOND ANTICIPATION NOTES, SERIES 2018A (the "Notes")**

**Date of Issue: August 21, 2018**

**Maturity Date: August 21, 2019**

The Notes are general obligations of the Town of Stony Point, Rockland County, New York (the "Town"), and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and interest thereon and, unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied upon all the taxable real property within the Town, subject to the applicable provisions of Chapter 97 of the Laws of 2011 of the State of New York. See "APPENDIX A - TAX LEVY LIMITATION LAW," herein.

The Notes will not be subject to redemption prior to maturity. Interest will be calculated on a 30-day month and a 360 day year.

At the option of the purchaser(s), the Notes will be issued in (i) registered form registered in the name of the successful bidder(s) or (ii) registered book-entry form registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC").

If the Notes are registered in the name of the successful bidder(s), a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser(s) at such interest rates(s). Principal of and interest on the Notes will be at maturity at the office of the Town Clerk, Stony Point, New York, as fiscal agent of the Town.

If the Notes are issued in book-entry-only form, such Notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination in excess of \$5,000. Principal of and interest on said Notes will be paid in federal funds by the Town to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining or reviewing the records maintained by DTC, its participants or persons acting through such participants. See "THE NOTES - Book-Entry-Only System" herein.

Harris Beach PLLC has not participated in the preparation of the demographic, financial or statistical data contained in this Official Statement, nor verified the accuracy, completeness or fairness thereof, and, accordingly, expresses no opinion with respect thereto.

The Notes are offered when, as and if issued by the Town and accepted by the purchaser(s) and subject to the receipt of the final approving opinion of Harris Beach PLLC, Rochester, New York, Bond Counsel, and certain other conditions. Capital Markets Advisors, LLC has served as Municipal Advisor to the Town in connection with the issuance of the Notes. It is anticipated that the Notes will be available for delivery in New York, New York or as otherwise agreed with the purchaser(s) on or about August 21, 2018.

THE TOWN DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF RULE 15c2-12 UNDER THE SECURITIES AND EXCHANGE ACT OF 1934, AS AMENDED (THE "RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER AS MORE FULLY DESCRIBED IN THE NOTICE OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. FOR A DESCRIPTION OF THE TOWN'S AGREEMENT TO PROVIDE DISCLOSURE AS TO CERTAIN EVENTS AS DESCRIBED IN THE RULE, SEE "UNDERTAKING TO PROVIDE NOTICE OF CERTAIN EVENTS" HEREIN.

Dated: August \_\_, 2018

**TOWN OF STONY POINT  
ROCKLAND COUNTY, NEW YORK**

**TOWN BOARD**

**Jim Monaghan**  
Supervisor

Tom Basile..... Councilman

Karl Javenes..... Councilman

Michael Puccio..... Councilman

James White..... Councilman

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Joan Skinner..... Town Clerk

Brian D. Nugent, Esq. .... Town Attorney

William R. Beckmann..... Town Assessor

Gregg Smith..... Director of Finance

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**INDEPENDENT AUDITOR**

**PKF O'Connor Davies, LLP**  
Harrison, New York

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**BOND COUNSEL**

**Harris Beach PLLC**  
Rochester, New York

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**MUNICIPAL ADVISOR**



**Capital Markets Advisors, LLC**  
**Hudson Valley \* Long Island \* Southern Tier \* Western New York**  
**(845) 227-8678**

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

**TABLE OF CONTENTS**

	<i><u>Page</u></i>		<i><u>Page</u></i>
THE NOTES .....	1	FINANCIAL FACTORS.....	A-4
Description .....	1	Budgetary Procedure .....	A-4
Authority for and Purpose of the Notes.....	2	Independent Audits .....	A-5
Book-Entry-Only System.....	2	Investment Policy.....	A-5
NATURE OF OBLIGATION .....	4	Revenues .....	A-6
SPECIAL PROVISIONS AFFECTING REMEDIES		REAL PROPERTY TAXES.....	A-8
UPON DEFAULT .....	4	Tax Collection Procedures .....	A-8
MARKET FACTORS .....	8	Assessed Valuations, Full Valuations and Tax	
THE STATE COMPTROLLER’S FISCAL STRESS		Levy.....	A-9
MONITORING SYSTEM AND COMPLIANCE		Ten of the Largest Taxpayers.....	A-9
REVIEWS.....	8	TAX LEVY LIMITATION LAW.....	A-10
LITIGATION .....	9	TOWN INDEBTEDNESS.....	A-11
TAX MATTERS .....	9	Constitutional Requirements .....	A-11
Federal Income Taxes .....	9	Statutory Procedure.....	A-12
State and Local Income Taxes.....	10	Constitutional Debt-Contracting Limitation...A-12	
Other Considerations.....	10	Statutory Debt Limit and Net Indebtedness ...A-13	
LEGAL MATTERS .....	10	Short-Term Indebtedness .....	A-14
UNDERTAKING TO PROVIDE DISCLOSURE OF		Bond Anticipation Notes.....	A-14
CERTAIN EVENTS.....	11	Trend of Capital Bonded Debt .....	A-15
Compliance History.....	12	Overlapping and Underlying Debt .....	A-16
MUNICIPAL ADVISOR .....	13	Debt Ratios.....	A-17
RATING.....	13	Authorized But Unissued Debt.....	A-17
ADDITIONAL INFORMATION .....	13	Debt Service Schedule .....	A-17
APPENDIX A - THE TOWN		ECONOMIC AND DEMOGRAPHIC DATA ...A-18	
THE TOWN .....	A-1	Population .....	A-18
General Information.....	A-1	Income.....	A-18
Form of Government.....	A-1	Employment.....	A-18
Services .....	A-1	Housing Data.....	A-20
Employees.....	A-1	Educational.....	A-20
Employee Benefits .....	A-2	Financial Institutions.....	A-20
Other Postemployment Benefits.....	A-3	Transportation .....	A-20
		Utilities.....	A-20
		Recreational Facilities .....	A-21
APPENDIX B - UNAUDITED SUMMARY OFFINANCIAL STATEMENTS AND BUDGETS			
APPENDIX C - LINK TO INDEPENDENT AUDITORS’ REPORTS FOR THE FISCAL YEAR ENDED			
DECEMBER 31, 2016			

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**OFFICIAL STATEMENT**  
**TOWN OF STONY POINT**  
**ROCKLAND COUNTY, NEW YORK**

**relating to**  
**\$2,107,616**  
**BOND ANTICIPATION NOTES, SERIES 2018A**  
**(the "Notes")**

This Official Statement, including the cover page and appendices hereto, presents certain information relating to the Town of Stony Point in the County of Rockland, State of New York (the "Town," "County," and "State," respectively), in connection with the sale of \$2,107,616 Bond Anticipation Notes, Series 2018A.

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

**THE NOTES**

***Description***

The Notes will be dated and will mature as reflected on the cover page hereof.

The Notes will not be subject to redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

If the Notes are issued in the name of the successful bidder(s), a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchasers at such interest rates. Principal of and interest on the Notes will be at maturity at the office of the Town Clerk, Stony Point, New York, as fiscal agent of the Town.

If the Notes are issued in book-entry-only form, such Notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination in excess of \$5,000. Principal of and interest on said Notes will be paid in federal funds by the Town to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining or reviewing the records maintained by DTC, its participants or persons acting through such participants. See "THE NOTES - Book-Entry-Only System" herein.

If the Notes are registered in the name of the successful bidder(s), the Town will act as Paying Agent for the Notes. The Town contact information is as follows: Gregg Smith, Director of Finance, 74 E. Main Street, Stony Point, New York 10980, (845) 786-2716, e-mail: [gsmith@townofstonypoint.org](mailto:gsmith@townofstonypoint.org).

### ***Authority for and Purpose of the Notes***

The Notes are issued pursuant to the Constitution and statutes of the State, including among others, the Town Law and the Local Finance Law, and various bond resolutions adopted by the Town Board of the Town.

Together with \$65,641 in available funds, the proceeds of the Notes will be used to renew \$1,484,757 bond anticipation notes maturing on August 22, 2018 and provide \$688,500 in original financing for the various projects listed below.

<u>Date Of Authorization</u>	<u>Date Of First Issuance</u>	<u>Purpose</u>	<u>Amount Outstanding</u>	<u>Note Payment</u>	<u>New Issue Amount</u>	<u>Amount To Be Issued- The Notes</u>
6-24-18	8-21-18	Repaving of Roads	\$ 0	\$ 0	\$ 400,000	\$ 400,000
6-24-18	8-21-18	Various Public Improvements	0	0	288,500	288,500
3-28-17	8-22-17	2017 Chevrolet Tahoe	37,000	0	0	37,000
3-28-17	8-22-17	2007 Tahoe	7,000	0	0	7,000
3-28-17	8-22-17	Playground Equipment	35,000	0	0	35,000
3-28-17	8-22-17	New Vehicle Dump truck	60,000	0	0	60,000
3-28-17	8-22-17	Raise Roof	30,000	0	0	30,000
3-28-17	8-22-17	Ranger Picker	3,000	0	0	3,000
3-28-17	8-22-17	Toro Multi Pro 5800 Sprayer	49,075	0	0	49,075
3-28-17	8-22-17	Paving 1.5 miles	350,000	0	0	350,000
3-28-17	8-22-17	Plow Trucks (1)	225,000	0	0	225,000
3-28-17	8-22-17	New Truck L Brissing	35,000	0	0	35,000
3-28-17	8-22-17	Airation System	150,000	0	0	150,000
5-10-16	8-23-16	Repaving of Roads	306,000	15,600	0	290,400
5-10-16	8-23-16	Computers and Equipment	58,000	14,500	0	43,500
4-12-16	8-23-16	Maintenance Equipment – Golf Course	52,000	2,700	0	49,300
2-23-16	8-23-16	Police Vehicle	32,500	16,250	0	16,250
1-26-16	8-23-16	Vehicle – Building Inspector	28,182	14,091	0	14,091
4-12-16	8-23-16	Maintenance Equipment – Parks	27,000	2,500	0	24,500
			<u>\$ 1,484,757</u>	<u>\$ 65,641</u>	<u>\$ 688,500</u>	<u>\$2,107,616</u>

### ***Book-Entry-Only System***

If the Notes are issued in book-entry-only form, DTC will act as securities depository for the Notes if issued as book-entry-only Notes. Such Notes will be issued as fully-registered notes registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered note certificate will be issued for each note bearing the same rate of interest and CUSIP number in the aggregate principal amount for such Note and 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. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

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

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

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

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

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

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

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

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

Source: The Depository Trust Company

THE INFORMATION CONTAINED IN THE ABOVE SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SAMPLE OFFERING DOCUMENT LANGUAGE SUPPLIED BY DTC, BUT THE TOWN TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF. IN ADDITION, THE TOWN WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO: (I) THE

ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY PARTICIPANT OR ANY INDIRECT PARTICIPANT; (II) THE PAYMENTS BY DTC OR ANY PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, OR PREMIUM, IF ANY, OR INTEREST ON THE NOTES OR (III) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO NOTEOWNERS.

THE TOWN CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE NOTES OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE TOWN WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE NOTES.

### **NATURE OF OBLIGATION**

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

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

The Notes will be general obligations of the Town and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the Town has power and statutory authorization to levy ad valorem taxes on all real property within the Town subject to such taxation by the Town, subject to applicable statutory limitations (See "APPENDIX A - TAX LEVY LIMITATION LAW," herein).

### **SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT**

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

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



**Authority to file for Municipal Bankruptcy.** The Federal Bankruptcy Code allows public bodies, such as counties, cities, towns and villages, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

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

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

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

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

**State Debt Moratorium Law.** There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

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

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

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

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

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

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

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

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

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

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

**Fiscal Stress and State Emergency Financial Control Boards.** Pursuant to Article IX Section 2(b)(2) of the State Constitution, any local government in the State may request the intervention of the State in its “property, affairs and government” by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and approve collective bargaining agreements in certain cases. Implementation is left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, on a certificate of necessity of the governor reciting facts which in the judgment of governor constitute an emergency requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each

house of the State legislature, the State is authorized to intervene in the “property, affairs and governments” of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of local government is further supported by Article VIII, Section 12 of the Constitution, which declares it to be the duty of the State legislature to restrict, subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

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

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

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

Several municipalities in the State are presently working with the FRB. The Town has not applied to the FRB and does not reasonably expect to do so in the foreseeable future. School districts and fire districts are not eligible for FRB assistance.

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

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

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

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

## **MARKET FACTORS**

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

There can be no assurance that the State appropriation for State aid to towns will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the Town 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 Town can be paid only if the State has such monies available therefor. (See "FINANCIAL FACTORS - Revenues-State Aid" in Appendix A attached hereto).

Should the Town fail to receive monies expected from the State in the amounts and at the times expected, the Town 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 Notes should elect to sell a Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Notes. In addition, the price and principal value of the Notes is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

Amendments to the U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Notes and other debt issued by the Town. Any such future legislation could have an adverse effect on the market value of the Notes (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 Town, school districts, and fire districts in the State could have an impact upon operations of the Town and as a result, the market price for the Notes. (See "APPENDIX A - TAX LEVY LIMITATION 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 Town as “No Designation,” with a fiscal score of 20.8% and an environmental score of 12.5%.

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

The financial affairs of the Town are subject to periodic compliance reviews by OSC to ascertain whether the Town has complied with the requirements of various State and federal statutes.

## **LITIGATION**

The Town from time to time receives notices of claim and is party to litigation. In the opinion of the Town, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no claims or actions pending which, if determined against the Town, would have an adverse material effect on the financial condition of the Town.

Town officials have indicated there are 5 pending claims against the Town pursuant to Article 7 of the Real Property Tax Law to review and reduce real estate assessments and obtain a refund for alleged overpayments of real estate taxes. Proceedings to review real estate assessments are defended by the Town. While the results of tax certiorari proceedings are difficult to determine at this time, these proceedings generally result in tax refunds well below the amount requested and are generally settled over a period of years. Pursuant to the New York State Local Finance Law, upon adoption of a bond resolution, the Town may issue serial Bonds and Notes to fund judgments and settled claims. A potential liability in connection with the pending claims can not be determined since property valuations have not been completed, however Town officials have indicated they do not believe the amounts to be material. For 2016 and 2017, the Town paid tax refunds in the amounts of \$90,735 and \$5,491, respectively. For 2018, as of June 30, 2018, the Town has paid \$0 in tax refunds.

## **TAX MATTERS**

### ***Federal Income Taxes***

In the opinion of Harris Beach PLLC, Rochester, New York, Bond Counsel to the Town, based on existing statutes, regulations, administrative rulings and court decisions and assuming compliance by the Town with certain covenants and the accuracy of certain representations, interest on the Notes is excluded from gross income for federal income tax purposes.

The Internal Revenue Code of 1986, as amended (the "Code"), imposes various limitations, conditions and other requirements which must be met at and subsequent to the date of issue of the Notes in order that interest on the Notes, as applicable, will be and remain excluded from gross income for Federal income tax purposes. Included among these requirements are restrictions on the investment and use of proceeds of the Notes, as applicable, and in certain circumstances, payment of amounts in respect of such proceeds to the United States. Failure to comply with the requirements of the Code may cause interest on the Notes, as applicable, to be includable in gross income for purposes of Federal income tax, possibly from the date of issuance of the Notes. In the Arbitrage and Use of Proceeds Certificates of the Town, to be executed in connection with the issuance of the Notes, the Town will covenant to comply with certain procedures and make certain representations and certifications, designed to assure satisfaction of the requirements of the Code in respect to the Notes, as applicable. The opinion of Bond Counsel assumes compliance with such covenants and the accuracy, in all material respects, of such representations and certificates.

Bond Counsel is of the further opinion that interest on the Notes is not an “item of tax preference” for purposes of federal alternative minimum tax on individuals and, for tax years preceding January 1, 2018, the Federal alternative minimum tax imposed on certain corporations. Interest on the Notes is, however, included in the calculation of “adjusted current earnings” for purposes of calculating the federal alternative minimum tax imposed on certain corporations with respect to tax years beginning prior to January 1, 2018. Prospective purchasers of the Notes should consult with their tax advisors regarding the calculation of any federal alternative minimum tax liability.

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

The Notes will be designated or deemed designated as "qualified tax-exempt obligations" within the meaning of, and pursuant to Section 265(b)(3) of the Code.

### ***State and Local Income Taxes***

In the opinion of Bond Counsel, interest on the Notes is exempt from personal income taxes imposed by the State or any political subdivision thereof, including The City of New York. Any noncompliance with the federal income tax requirements set forth above with respect to the Notes would not affect the exemption of interest thereon from personal income taxes imposed by the State of New York or any political subdivision thereof.

Bond Counsel expresses no opinion regarding any other state or local tax consequences related to the ownership or disposition of, or the receipt or accrual of interest on, the Notes.

Interest on the Notes may or may not be subject to state or local income taxes in jurisdictions other than the State of New York under applicable state or local tax laws. Bond Counsel expresses no opinion, however, as to the tax treatment of the Notes under other state or local jurisdictions. Each purchaser of the Notes should consult his or her own tax advisor regarding the taxable status of the Notes in a particular state or local jurisdiction other than the State of New York.

### ***Other Considerations***

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance and delivery of the Notes may affect the tax status of interest on the Notes.

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

All summaries and explanations of provisions of law do not purport to be complete and reference is made to such laws for full and complete statements of their provisions.

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

## **LEGAL MATTERS**

The legality of the authorization and issuance of the Notes will be covered by the approving legal opinion of Harris Beach PLLC, Bond Counsel, Rochester, New York. Such legal opinion will state that in the opinion of Bond Counsel (i) the Notes have been authorized and issued in accordance with the Constitution and statutes of the State

of New York and constitute valid and legally binding general obligations of the City, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to the statutory limitations set forth in Chapter 97 of the Laws of 2011 of the State of New York (see "TAX LEVY LIMITATION LAW" herein); provided, however, that the enforceability (but not the validity) of the Notes may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal) affecting the enforcement of creditors' rights; (ii) under existing statutes, regulations, administrative rulings and court decisions, interest on the Notes is excluded from the gross income of the owners thereof for Federal income tax purposes and is not an "item of tax preference" for purposes of the Federal alternative minimum taxes imposed on individuals, and for tax years beginning prior to January 1, 2018, the Federal alternative minimum tax imposed by certain corporations.; interest on the Notes is, however, included in "adjusted current earnings," for purposes of calculating the Federal alternative minimum tax imposed on certain corporations with respect to tax years beginning prior to January 1, 2018; (iii) interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, (including The City of New York); and (iv) based upon Bond Counsel's examination of law and review of the arbitrage certificate executed by the Town Supervisor in connection with the issuance of the Notes pursuant to Section 148 of the Code and the regulations thereunder, the facts, estimates and circumstances as set forth in said arbitrage certificate are sufficient to satisfy the criteria which are necessary under Section 148 of the Code to support the conclusion that the Notes will not be "arbitrage Notes" within the meaning of said section, and no matters have come to Bond Counsel's attention which makes unreasonable or incorrect the representations made in said arbitrage certificate. Bond Counsel will express no opinion regarding other Federal income tax consequences arising with respect to the Notes.

Such legal opinion will also state that (i) in rendering the opinion expressed therein, Bond Counsel has assumed the accuracy and truthfulness of all public records, documents and proceedings examined by Bond Counsel which have been executed or certified by public officials acting within the scope of their official capacities and has not verified the accuracy or truthfulness thereof, and Bond Counsel also has assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and such certifications thereof; (ii) the scope of Bond Counsel's engagement in relation to the issuance of the Notes has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein; (iii) the opinions expressed therein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Town together with other legally available sources of revenue, if any, will be sufficient to enable the Town to pay the principal of and interest on the Notes as the same respectively become due and payable; (iv) reference should be made to the Official Statement for factual information which, in the judgment of the Town, would materially affect the ability of the Town to pay such principal and interest; and (v) while Bond Counsel has participated in the preparation of the Official Statement, Bond Counsel has not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, no opinion is expressed by Bond Counsel as to whether the Town, in connection with the sale of the Notes, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

## **UNDERTAKING TO PROVIDE DISCLOSURE OF CERTAIN EVENTS**

This Official Statement is in a form "deemed final" by the Town for the purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). At the time of the delivery of the Notes, the Town will provide an executed copy of its "Undertaking to Provide Notice of Certain Events" (the "Undertaking"). Said Undertaking will constitute a written agreement or contract of the Town for the benefit of holders of and owners of beneficial interests in the Notes, to provide, or cause to be provided to the Electronic Municipal Market Access ("EMMA") System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 158(b)(1) of the Securities Exchange Act of 1934, or any successor thereto, timely notice not in excess of ten (10) business days after the occurrence of any of the following events with respect to the Notes:

- (i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax

status of the Notes, or other material events affecting the tax status of the Notes; (vii) modifications to rights of Noteholders, if material; (viii) Note calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Notes, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the Town; (xiii) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.

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

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

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

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

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

The Town may amend the Undertaking without the consent of the holders of the Notes, provided that (a) the Undertaking, as amended, would have complied with the requirements of the Rule at the time of the offering of the Notes, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (b) that no such amendment shall adversely affect the interests of the holders of the Notes (including holders of beneficial interests in the Notes) in any material respect. In making such determinations, the Town shall rely upon an opinion of nationally recognized bond counsel.

### ***Compliance History***

Since 2007, there have been in excess of 50 rating actions reported by Moody’s Investors Service, S&P Global Ratings and Fitch Ratings affecting the municipal bond insurance companies, some of which had insured bonds previously issued by the Town. Due to widespread knowledge of these rating actions, material event notices were not filed by the Town in each instance.

An interest payment due on December 15, 2014 with respect to the Town’s \$1,150,000 Public Purpose (Serial) Bonds, 2004 (the “2004 Bonds”) was late to investors due to an administrative error by the Depository Trust Company (“DTC”). The Town made the interest payment to DTC in a timely fashion on December 11, 2014, however funds were not released by DTC until December 29, 2014. As noted, this was the result of an internal error by DTC. A material event notice was filed by the Town on December 30, 2014.



## **MUNICIPAL ADVISOR**

Capital Markets Advisors, LLC, Hopewell Junction, New York, (the “Municipal Advisor”) is an independent municipal advisor registered with the United States Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor has served as the independent financial advisor to the Town in connection with this transaction.

In preparing the Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for the Official Statement. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the Town to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards. The Municipal Advisor is not a law firm and does not provide legal advice with respect to this or any debt offerings of the Town. The Municipal 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 Notes.

## **RATING**

The Town did not apply for a rating of the Notes.

Moody’s Investors Service (“Moody’s”) has assigned an underlying rating to the Town’s outstanding bonded indebtedness of “A1.”

Such rating reflects only the views of such organization and any desired explanation of the significance of such rating should be obtained from Moody’s at the following address: Moody’s Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007. There can be no assurance that such rating will continue for any specified period of time or that such rating will not be revised or withdrawn, if in the judgment of Moody’s, circumstances so warrant. Any such change or withdrawal of such rating may have an adverse effect on the market price of the Notes or the availability of a secondary market for the Notes.

## **ADDITIONAL INFORMATION**

Additional information may be obtained from Gregg Smith, Director of Finance, 74 E. Main Street, Stony Point, New York 10980, (845) 786-2716, e-mail: [gsmith@townofstonypoint.org](mailto:gsmith@townofstonypoint.org) or from the Town’s Municipal Advisor, Capital Markets Advisors, LLC, 1075 Route 82, Suite 4, Hopewell Junction, New York 12533, (845) 227-8678.

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 Town and the original purchasers or holders of any of the Notes.

Capital Markets Advisors, LLC may place a copy of this Official Statement on its website at [www.capmark.org](http://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 Town nor Capital Markets Advisors, LLC assumes any liability or responsibility for errors or omissions on such website. Further, Capital Markets Advisors, LLC and the Town disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Capital Markets Advisors, LLC and the Town 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 Notes by the Town and may not be reproduced or used in whole or in part for any other purpose.

TOWN OF STONY POINT  
ROCKLAND COUNTY, NEW YORK

By: /s/ \_\_\_\_\_  
Jim Monaghan  
Supervisor

DATED: August 7, 2018

**APPENDIX A**

**THE TOWN**

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## THE TOWN

### ***General Information***

The Town encompasses approximately 28 square miles and is located in the northeast section of the County along the west bank of the Hudson River. Manhattan is about 35 miles south of the Town. There are no incorporated villages in the Town. The Town is a suburban community and is primarily residential in nature. Many residents commute to jobs in New York City or other areas of the County

The population of the Town in 2016 was estimated at 15,381 (interim data obtained from the U.S. Census Bureau.), which represents an increase of approximately 2.1% since the 2010 U.S. Census. According to the American Community Survey 5 – Year Survey (US Census Bureau), the Town's 2016 per capita money income was \$39,805, compared to \$35,557 for the County and \$34,212 for the State. The median family income for the Town in 2016 was estimated to be \$112,738, compared to \$101,398 and \$74,036 for the County and State, respectively. See “Economic and Demographic Data,” herein.

### ***Form of Government***

The Town was established in 1865 by the State as a separate political entity vested with independent taxing and debt authority. The Town contains a portion of one independently governed school district (Haverstraw-Stony Point CSD) which relies on taxing powers granted by the State to raise revenues for school district purposes. The school district uses the Town's assessment roll as the basis for taxation of property within the Town.

Governmental operations of the Town are subject to the provisions of the State constitution and various statutes affecting local governments including the Town Law, General Municipal Law and the Local Finance Law. Real property assessment and tax collection procedures are determined by the Real Property Tax Law, a basic feature of which requires that the County guarantee and enforce the real property taxes levied by the Town as well as the school district situated in the Town. The Real Property Tax Law, in part, also governs certain assessment and same taxing procedures for the Town.

### ***Services***

The Town is responsible for providing most of the government services its residents receive. Sewer, lighting, solid waste and fire protection services are furnished by various special districts which have been formed within the Town. Education is provided by the Haverstraw-Stony Point Central School District. Highway construction and the maintenance of roads is also a Town function. In addition, recreation is provided and parks are maintained through the Town government. Other services performed at the Town level include: property assessment, police protection, zoning administration and planning.

### ***Employees***

Excluding elected officials, the Town employs approximately 82 full-time employees, of which 73 are represented by the following collective bargaining organizations.

<u>Number of Employees <sup>(1)</sup></u>	<u>Organization</u>	<u>Contract Expiration Date</u>
25	Police Benevolent Assoc.	12-31-17 <sup>(2)</sup>
42	C.S.E.A	12-31-18

- (1) There are 15 employees of the Town that are not represented by a collective bargaining organization.  
(2) In negotiation.

Source: Town Officials.

## ***Employee Benefits***

Substantially all employees of the City are members of the New York State and Local Employees Retirement System (“ERS”) or the New York State and Local Police and Fire Retirement System (“PFRS”) (ERS and PFRS are referred to collectively hereinafter as the “Retirement System” where appropriate). The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement and Social Security Law (the “Retirement System Law”). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service, except for members hired on or after January 1, 2010, whose benefits vest after ten years of credited service. The Retirement System Law generally provides that all participating employers in the Retirement System are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 through and including December 31, 2009, must contribute three percent of their gross annual salary toward the costs of retirement programs until they attain ten years in the Retirement System, at such time contributions become voluntary. Members hired on or after January 1, 2010 must contribute three or more percent of their gross annual salary toward the costs of retirement programs for the duration of their employment.

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

Police officers and firefighters who are members of PFRS are divided into four tiers. As with ERS, retirement benefit plans available under PFRS are most liberal for Tier 1 employees. The plans adopted for PFRS employees are noncontributory for Tier 1 and Tier 2 employees. Police officers and firefighters that were hired between July 1, 2009 and January 8, 2010 are currently in Tier 3, which has a 3% employee contribution rate by members. There is no Tier 4 in PFRS. Police officers and firefighters hired after January 9, 2010 are in Tier 5 which also requires a 3% employee contribution from members. Police officers and firefighters hired after April 1, 2012 are in Tier 6, which also originally had a 3% contribution requirement for members for FY 12-13; however, as of April 1, 2013, Tier 6 PFRS members are required to contribute a specific percentage of their annual salary, as follows, until retirement or until the member has reached 32 years of service credit, whichever occurs first: \$45,000.00 or less contributes 3%; \$45,000.01 to \$55,000.00 contributes 3.5%; \$55,000.01 to \$75,000.00 contributes 4.5%; \$75,000.01 to \$100,000.00 contributes 5.75%; and more than \$100,000.00 contributes 6%.

Beginning July 1, 2013, a voluntary defined contribution plan option was made available to all unrepresented employees of New York State public employers hired on or after that date, and who earn \$75,000 or more on an annual basis.

The New York State Retirement System allows municipalities to make employer contribution payments in December of each year, at a discount, or the following February, as required. The Town generally opts to make its pension payments in December in order to take advantage of the discount and this payment was made in December 2017 for the current year.

Due to significant capital market declines in 2008 and 2009, the State's Retirement System portfolio experienced negative investment performance and severe downward trends in market earnings. As a result of the foregoing, the employer contributions for the State's Retirement System continued to be higher than the minimum contribution rate established by Chapter 49. Legislation was enacted that permits local governments and school districts to borrow a portion of their required payments from the State pension plan at an interest rate of 5%. The legislation also requires those local governments and school districts that amortize their pension obligations pursuant to the regulation to establish reserve accounts to fund payment increases that are a result of fluctuations in pension plan performance. The Town does not currently amortize any pension payments. The Town previously amortized the maximum

portions of their respective ERS and PFRS contributions correlating to the 2004, 2005 and 2006 fiscal years. Amortized amounts for each year are repaid over a ten year period with interest at 5% per annum. The 2014 amortized amount was paid in full during 2014, the 2005 amortized amount was paid in full during 2015, and the 2006 amortized amount will be paid in full during 2016. Although the Town budgeted for the amortization of the PFRS retirement loan for 2012, the full amount of the contribution was paid. For 2013 through 2014, the Town budgeted and paid the full amount of the contribution without amortization. The 2015 budget included the amortization of approximately \$133,000 of PFRS contributions; however, Town officials paid the full contribution. For 2016, the Town elected to amortized \$171,986 in ERS contributions and \$205,013 in PFRS contributions. The Town will continue to annually review the need to amortize payments in future years but does not anticipate amortizing. In addition, during 2016 the Town issued a series of Federally taxable bonds to finance certain accrued benefits payable to a qualified employee upon separation of services from the Town. The Town will make principal and interest payments on the taxable bonds through 2020.

In Spring 2013, the State and ERS approved a Stable Contribution Option (“SCO”), which modified its existing SCO adopted in 2010, that gives municipalities the ability to better manage spikes in Actuarially Required Contribution rates (“ARCs”). The plan allows municipalities to pay the SCO amount in lieu of the ARC amount. The Town pays its ERS and PFRS contributions on a pay as you go basis and does not expect to participate in the SCO in the foreseeable future.

For State Fiscal Year 2016-17, the average contribution rates decreased for the third year in a row. ERS decreased by 2.7% of payroll, from 18.2% to 15.5%. For the State Fiscal Year 2017-18 the contribution rates for ERS remain unchanged at the 2016-17 levels. Projections of required contributions will vary by employer depending on factors such as retirement plans, salaries and the distribution of their employees among the six retirement tiers.

**ERS and PFRS Contributions.** The current retirement expenditures presented in the Town’s audited financial statements for each of the last five years and the amount budgeted for the most recent fiscal year is shown in the following table:

Fiscal Year	ERS	PFRS
2012	\$642,217	\$ 791,947
2013	802,851	1,292,960
2014	816,946	993,638
2015	658,785	823,353
2016	564,440	944,995
2017 (Unaudited)	664,365	1,111,130
2018 (Budget) <sup>(1)</sup>	697,024	1,161,079

(1) Includes contributions for the General Fund, Highway Fund, Sewer Fund, and Enterprise Fund.

Source: The Audited Financial Statements, the (unaudited) Annual Update Document for 2017 and the 2018 Adopted Budget. The summary itself is not audited.

See “Notes to Financial Statements” in the Audited Financial Statements.

### ***Other Postemployment Benefits***

GASB Statement No. 45 (“GASB 45”) of the Governmental Accounting Standards Board (“GASB”) requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and other non-pension benefits (“OPEB”). GASB 45 generally requires that employers account for and report the annual cost of the OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as they currently do for pensions. Under previous rules, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements. Only current payments to existing retirees were recorded as an expense.

GASB 45 requires that state and local governments adopt the actuarial methodologies to determine annual OPEB costs. Annual OPEB cost for most employers will be based on actuarially determined amounts that, if paid on an ongoing basis, generally would provide sufficient resources to pay benefits as they come due.

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

GASB 45 does not require that the unfunded liabilities actually be funded, only that the Town account for its unfunded accrued liability and compliance in meeting its ARC. Actuarial valuation is required every two years for the Town. The Town’s funding policy is to contribute the current annual premium (net of employee contributions) for retired participants (i.e. pay-as-you-go). Current New York State law does not permit municipalities to pre-fund medical benefit obligations. For the 2016 fiscal year the Town contributed \$969,760, including \$968,575 for Governmental Funds and \$1,185 for Enterprise Funds.

The Town is in compliance with the requirements of GASB 45. The Town has determined that its unfunded actuarial accrued liability (“UAAL”) for OPEB as of January 1, 2016 was \$38,645,873, including Governmental (\$38,062,262) and Enterprise (\$583,611) Funds. For the year ended December 31, 2016, the Town's ARC was \$3,236,502, including Governmental (\$3,159,323) and Enterprise (\$77,179) Funds. The Town’s unfunded actuarial accrued OPEB liability could have a material adverse impact upon the Town’s finances and could force the Town to reduce services, raise taxes or both. See “Notes to Financial Statements- Note 3” (page 52) in the 2016 Audited Financial Statements.

Source: The audited financial statements of the Town for the year ended December 31, 2016.

In June 2015, GASB issued GASB Statement 75 (“GASB 75”), which is required to be implemented in the Town’s current fiscal year. GASB 75 supersedes and eliminates GASB 45. GASB 75 establishes new standards for recognizing and measuring OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. Municipalities are required to account for OPEB within the financial statements rather than only noted in the footnotes as previously required by GASB 45.

Proposed legislation was reintroduced in the State Legislature (A.5525, S.511) to authorize local governments and other public entities to establish trusts to accumulate and disburse funds through governing board appropriation for payment of OPEB liabilities. This legislation would authorize the establishment of a trust by resolution of the local government’s governing body which would serve as the trustee (unless trustee authority is delegated to the local government’s chief fiscal officer). Trust investments would be held by the State Comptroller as sole custodian for investment in accordance with the written investment policy developed by the trustee and the written agreement between the trust and the State Comptroller. Trust funds would not be subject to local government creditor claims, and local government officers would not be subject to liability for loss on investments in the trust. The Legislation was not adopted. The Town cannot predict at this time whether such proposed legislation will be introduced and enacted into law in a future legislation.

## **FINANCIAL FACTORS**

### ***Budgetary Procedure***

The head of each administrative unit of the Town is required to file detailed estimates of revenues (other than real property taxes) and expenditures for the next fiscal year with the budget officer on or before July 1<sup>st</sup>. Estimates for the fire district situated within the Town must also be filed with the budget officer in November (the Town has no authority to amend the budget submitted by a fire district). After reviewing these estimates, the budget officer prepares a tentative budget which includes his recommendations. A budget message explaining the main features of the budget is also prepared at this time. The tentative budget is filed with the Town Clerk not later than the 30th of September. Subsequently, the Town Clerk presents the tentative budget to the Town Board at the regular or special hearing which must be held on or before October 5<sup>th</sup>. The Town Board reviews the tentative budget and makes such changes as it deems necessary and that are not inconsistent with the provisions of the law. Following this review process, the tentative budget and such modifications, if any, as approved by the Board become the preliminary



budget. A public hearing, a notice of which must be duly published in the Town's official newspaper, for the preliminary budget is required to be held no later than the Thursday after the general election. At such hearing, any person may express his opinion concerning the preliminary budget; however, there is no requirement or provision that the preliminary budget or any portion thereof be voted on by members of the public. After the public hearing, the Town Board may further change and revise the preliminary budget. The Town Board, by resolution, adopts the preliminary budget as submitted or amended no later than November 20<sup>th</sup>, at which time, the preliminary budget becomes the annual budget of the Town for the ensuing fiscal year. Any changes or modifications to the annual budget including the transfer of appropriations among line items must be approved by resolution of the Town Board.

Summaries of the adopted budgets for the 2017 and 2018 fiscal years are attached as a part of this Official Statement.

### ***Independent Audits***

**Audited Financial Statements.** The Town retained the firm of PKF O'Connor Davies, Certified Public Accountants, to audit its financial statements for the fiscal year ended December 31, 2016. Appendix B, attached hereto, presents excerpts from the Town's most recent audited reports covering the last five fiscal years. However, the summary itself has not been audited. Appendix C contains a link to the last fiscal year audit.

**Special Note.** As of the date of this Official Statement, the Town was still in the process of completing the audit for the 2017 fiscal year. The audited statements are anticipated to be available in fall of 2018. Once available the Town will post a copy with the Municipal Securities Rulemaking Board. In addition, unaudited 2017 results, in the form of the Annual Update Document, are on file with the Municipal Securities Rulemaking Board.

**Certain Information Obtained from Financial Statements.** A five-year history of certain financial statements is presented, in summary form, in Appendix B of this Official Statement. The data presented in these summaries are derived from the Town's audited financial statements. However, the summaries are not complete presentations in that the notes to the financial statements and the auditors' report thereon have not been included. Accordingly, such statements are not considered audited under accounting principles generally accepted in the United States of America. Copies of Town audits are on file with the Municipal Securities Rulemaking Board (<http://emma.msrb.org/>), or may be obtained by request from the Town or from the Town's Financial Advisor.

**Summary of Significant Accounting Policies.** See Audited Financial Statements as of and for the year ended December 31, 2016, "Notes to Financial Statements," Note 1 hereto.

**State Audit Reports.** In addition, the Town is subject to audit by the Office of the State Comptroller ("OSC") to review compliance with legal requirements and the rules and regulations established by the State. Since 2013, there have been two audit reports released by the State reviewing the Town. The reports have focused on various topics including: claims processing and purchasing in the Town (report released October 31, 2014), and three which reviewed the Town's budgetary procedures (reports released October 15, 2013). Results of the audit and corresponding recommendations have been discussed with the Town and comments from Town officials have been included as a part of the audit reports. Full copies of the State audits may be obtained by request of the Town or the Town's Municipal Advisor.

See "The State Comptroller's Fiscal Stress Monitoring System and Compliance Reviews" herein.

### ***Investment Policy***

**Authorized Investments.** The Town has designated one bank or trust company located and authorized to conduct business in the State to receive deposits of money, including certificates of deposits, from the Town.

In addition to bank deposits, the Town is permitted to invest moneys in direct obligations of the United States of America, obligations guaranteed by agencies of the United States where the payment of principal and interest are further guaranteed by the United States of America and obligations of the State. Other eligible investments for the Town include: revenue and tax anticipation notes issued by any municipality, school district or district corporation other than the Town (investment subject to approval of the State Comptroller); obligations of certain public

authorities or agencies; obligations issued pursuant to Section 109(b) of the General Municipal Law (certificates of participation) and certain obligations of the Town, but only with respect to moneys of a reserve fund established pursuant to Section 6 of the General Municipal Law. The Town may also utilize repurchase agreements to the extent such agreements are based upon direct or guaranteed obligations of the United States of America. Repurchase agreements are subject to the following restrictions, among others: all repurchase agreements are subject to a master repurchase agreement; trading partners are limited to banks or trust companies authorized to conduct business in the State or primary reporting dealers as designated by the Federal Reserve Bank of New York; securities may not be substituted; and the custodian for the repurchase security must be a party other than the trading partner. All purchased obligations, unless registered or inscribed in the name of the Town, must be purchased through, delivered to and held in the custody of a bank or trust company located and authorized to conduct business in the State. Reverse repurchase agreements are not allowed under State law.

**Collateral Requirements.** All Town deposits in excess of the applicable insurance coverage provided by the Federal Deposit Insurance Act must be secured in accordance with the provisions of and subject to the limitations of Section 10 of the General Municipal Law of the State. Such collateral must consist of the “eligible securities,” “eligible surety bonds” or “eligible letter of credit” as described in the Law.

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

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

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

## ***Revenues***

The Town derives its revenues primarily from real property taxes and special assessments, Sales Tax, departmental fees and charges and State aid. A summary of such revenues for the fiscal years 2012 - 2016 is attached as a part of this Official Statement. Information for said fiscal years has been excerpted from the Town's audited financial reports; however, such presentation has not been audited.

**Property Taxes.** The Town derives a major portion of its revenues from a tax on real property. As noted in the below table, property taxes accounted for approximately 74.3% of General Fund revenue for the fiscal year ended December 31, 2016, excluding other financing sources.

The following table sets forth General Fund revenue and real property taxes received for each of the past five audited fiscal years, the unaudited amount for 2017 and the amount budgeted for the most recent fiscal year.

**General Fund Revenue & Real Property Tax Revenue**

Fiscal Year Ended December 31:	General Fund Revenue <sup>(1)</sup>	Real Property Taxes	Taxes to General Fund Revenue
2012	\$13,980,476	\$10,650,883	76.2%
2013	14,838,131	11,500,752	77.5
2014	14,857,596	11,562,356	77.8
2015	14,712,003	11,376,656	77.3
2016	16,425,716	12,202,018	74.3
2017 (Unaudited)	15,882,862	12,194,817	76.8
2018 (Budget) <sup>(2)</sup>	15,860,957	12,752,418	80.4

(1) Exclusive of other financing sources.

(2) Exclude the appropriation of fund balance (\$225,000 in 2018).

Source: The audited financial statements, the unaudited 2017 annual update document and the 2018 adopted budget of the Town. The summary itself is not audited.

**State Aid.** The Town receives financial assistance from the State. State Aid accounted for approximately 2.8% of the General Fund revenue, excluding other financing sources, for the fiscal year ended December 31, 2016. A substantial portion of the State aid received is directed to be used for specific programs. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Town, in any year or future years, the Town may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments. Additionally, if the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Town, may be affected by a delay in the payment of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the Town. 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 Town, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. (See also "MARKET FACTORS," herein.)

The following table sets forth General Fund revenue and State aid revenue received for each of the past five audited fiscal years, the unaudited amount for 2017 and the amount budgeted for the most recent fiscal year.

**General Fund Revenue & State Aid Revenue**

Fiscal Year Ended December 31:	General Fund Revenue <sup>(1)</sup>	State Aid	State Aid to General Fund Revenue
2012	\$13,980,476	\$491,831	3.5%
2013	14,838,131	480,450	3.2
2014	14,857,596	358,537	2.4
2015	14,712,003	474,604	3.2
2016	16,425,716	465,917	2.8
2017 (Unaudited)	15,882,862	522,710	3.3
2018 (Budget) <sup>(2)</sup>	15,860,957	458,654	2.9

(1) Exclusive of other financing sources.

(2) Exclude the appropriation of fund balance (\$225,000 in 2018).

Source: The audited financial statements, the unaudited 2017 annual update document and the 2018 adopted budget of the Town. The summary itself is not audited.

**Sales Tax.** The Town receives a share of the County sales tax. As authorized pursuant to Section 1210 of the New York Tax Law, the County currently imposes a sales and use tax of 4.00%. This is in addition to the 4.00% sales and use tax imposed by the State and 0.375% Metropolitan Commuter Tax. The sales and use tax collections are administered by the State Tax Commission and the proceeds are paid monthly to the County. In March 2002, the County increased its sales tax from 3.000% to 3.625%, of which 0.125% is distributed to towns and villages in the County based on population. In January 2008, the County agreed to share an additional 0.125% with towns and villages with police departments and in March 2009 increased its sales tax from 3.625% to 4.00%.

As noted in the below table, sales tax revenue accounted for approximately 3.8% of the General Fund revenue, excluding other financing sources, for the fiscal year ended December 31, 2016.

The following table sets forth General Fund revenue, excluding other financing sources, and sales tax revenues received for each of the past five audited fiscal years, the unaudited amount for 2017 and the amount budgeted for the most recent fiscal year.

**General Fund Revenue & Sales Tax Revenue**

<u>Fiscal Year Ended December 31:</u>	<u>General Fund Revenue <sup>(1)</sup></u>	<u>Sales Tax</u>	<u>Sales Tax to General Fund Revenue</u>
2012	\$13,980,476	\$537,784	3.8%
2013	14,838,131	554,944	3.7
2014	14,857,596	559,730	3.8
2015	14,712,003	585,526	4.0
2016	16,425,716	630,549	3.8
2017 (Unaudited)	15,882,862	654,797	4.1
2018 (Budget) <sup>(2)</sup>	15,860,957	650,000	4.1

(1) Exclusive of other financing sources.

(2) Exclude the appropriation of fund balance (\$225,000 in 2018).

Source: The audited financial statements, the 2017 unaudited annual update document and the 2018 adopted budget of the Town. The summary itself is not audited.

**REAL PROPERTY TAXES**

***Tax Collection Procedures***

The Town Tax receiver collects Town and County property taxes and special district assessments. Taxes and assessments are levied against properties on the first of January and may be paid without penalty through the month of January. Payments made after January 31 are assessed a penalty as follows: a 1% penalty is added in February and 2% in March. After April the tax roll is returned to the County and taxes plus penalties are payable to the County Finance Commissioner. The Town retains the total amount of Town, highway and special district levies from the total collections and returns the balance plus uncollected items to the County, which assumes collection responsibility and holds annual tax sales. The Town also collects school taxes as agent for the school district. Such taxes are submitted to the school district as collected. By law, the County assumes responsibility for delinquent taxes.

There can be no assurance that property tax revenues over time will be maintained at any level or that such revenues will be received in a timely fashion by the Town. General economic conditions affecting the Town, including, for example, unemployment and inflation, and unusual or unexpected events such as the termination of major commercial operations within the Town or a natural catastrophe could adversely affect both the assessed value of the land within the Town and the ability of property owners to make timely payments of their taxes.

### ***Assessed Valuations, Full Valuations and Tax Levy***

The following table shows the trend during the last five years for taxable assessed valuations, State equalization rates, full valuations, tax levies and tax rates per \$1,000 assessed valuation.

Fiscal Year Ending December 31:	Taxable Assessed Valuation		Tax Rate Per \$1,000 Assessed Value	
	Homestead	Non-Homestead	Homestead	Non-Homestead
2014	\$204,396,035	\$73,608,221	\$38.07	\$75.97
2015	205,424,629	75,397,656	37.46	81.11
2016	205,852,047	75,674,967	36.41	86.92
2017	207,004,835	79,165,026	35.79	85.34
2018	207,689,004	95,060,451	35.56	80.71

Source: Town officials.

Fiscal Year Ending December 31:	Total Tax Levy <sup>(1)</sup>	Increase / Decrease	Percent Change
2014	\$15,279,140	\$243,009	1.62%
2015	15,444,936	165,796	1.09
2016	15,726,895	281,959	1.83
2017	16,435,499	708,604	4.51
2018	17,427,895	992,396	6.04

(1) Excludes Fire district and Stony Point Library

Source: Town officials.

### ***Ten of the Largest Taxpayers***

The following table presents the taxable assessments of selected larger taxpayers on the 2017 assessment roll for taxes levied in 2018.

Taxpayer	Classification	Assessed Valuation	% Total Assessed Valuation <sup>(1)</sup>
Algonquin Gas	Utility	\$35,932,107	11.87%
NY State Lands	Government	29,546,179	9.76
Orange & Rockland Utilities	Utility	8,934,535	2.95
United Water	Utility	4,897,820	1.62
GenOn Lovett	Utility	2,747,800	0.91
ConEd	Utility	1,824,931	0.60
Associates Crossing	Commercial	1,400,000	0.46
US Gypsum	Industrial	1,022,895	0.34
CSX	Rail	906,913	0.30
Verizon	Commercial	795,783	0.26
		<u>\$ 88,008,963</u>	<u>29.07%</u>

(1) The total taxable assessed value for the year ending December 31, 2018 is \$302,749,455.

(2) Taxpayer has one or more pending tax certiorari claims pending. See "LITIGATION" for discussion of the settlement of taxpayer certiorari claims.

Source: Town Officials.

## TAX LEVY LIMITATION LAW

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to all local governments, including school districts (with the exception of New York City, the counties comprising New York City and the Big 5 City School Districts (Buffalo, Rochester, Syracuse, Yonkers (which are affected indirectly by applicability to their respective city). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. It expires on June 16, 2020 unless certain legislation is extended. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index (“CPI”), over the amount of the prior year’s tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are permissible exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees’ Retirement System, the Police and Fire Retirement System, and the Teachers’ Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of its fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for such fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the Tax Levy Limitation Law (June 24, 2011).

Article 8 Section 2 of the State Constitution requires every issuer of general obligation notes and bonds in the State to pledge its faith and credit for the payment of the principal thereof and the interest thereon. This has been interpreted by the Court of Appeals, the State’s highest court, in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), as follows:

“A pledge of the city’s faith and credit is both a commitment to pay and a commitment of the city’s revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City’s “faith and credit” is secured by a promise both to pay and to use in good faith the city’s general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, “faith” and “credit”, are used and they are not tautological. That is what the words say and that is what courts have held they mean.”

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

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

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

“So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the city’s power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted...While phrased in permissive language, these provisions, when read together with the requirement of the pledge of faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded”.

In addition, the Court of Appeals in the *Flushing National Bank* case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of municipalities.

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

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

## TOWN INDEBTEDNESS

### *Constitutional Requirements*

The New York State Constitution limits the power of the Town (and other municipalities and certain school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional limitations include the following, in summary form, and are generally applicable to the Town and its obligations.

**Purpose and Pledge.** Subject to certain enumerated exceptions, the Town shall not give or loan any money or property to or in aid of any individual or private corporation or give or loan its credit to or in aid of any of the foregoing or any public corporation.

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

**Payment and Maturity.** Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid 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 or, in the alternative, the weighted average period of probable usefulness of the several objects or purposes for which it is contracted. No installment may be more than fifty per cent in excess of the smallest prior installment unless the Town Board provides for and utilizes substantially level or declining annual debt service in the manner prescribed by the State Legislature. The Town is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its bonds and notes.

**Debt Limit.** Pursuant to the Local Finance Law, the Town has the power to contract indebtedness for any Town purpose authorized by the Legislature of the State provided the aggregate principal amount thereof shall not exceed

seven percentum of the average five-year full valuation of the taxable real estate located in the Town and subject to certain enumerated exclusions and deductions such as debt contracted to provide water, self-liquidating facilities, and certain sewer facilities and cash or appropriations to pay the principal amount of outstanding debt. The constitutional method for determining full valuation consists of dividing the total assessed valuation of taxable real estate for a particular assessment roll by the final equalization rate established for such assessment roll by the State Office of Real Property Services (the "ORPTS"). The State Legislature is required to prescribe the manner by which such rate shall be determined. Average full valuation is determined by taking the sum of the full valuations of the last five completed assessment rolls and dividing such sum by five. See "Constitutional Debt-Contracting Limitation," herein.

### ***Statutory Procedure***

In general, the State Legislature, by enactment of the Local Finance Law, has authorized the powers and procedure for the Town to borrow and incur indebtedness by the enactment of the Local Finance Law, subject, of course, to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including specifically the General Municipal Law of New York State and the Town Law. See "TAX LEVY LIMITATION LAW," herein.

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

The Local Finance Law also provides an estoppel procedure whereby a bond resolution, or a summary thereof, is published. The passage of 20 days from the date of such publication effective estops legal challenges to the validity of the obligations authorized by such bond resolution except for alleged constitutional violations. Except on rare occasions the Town complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement. Due to timing constraints, no estoppel procedure was completed in connection with the Notes.

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

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 do not (with certain exceptions) extend five years beyond the original date or borrowing. However, notes issued in anticipation of bonds for assessable improvements are not subject to such five year limit and may be renewed subject to annual reductions of principal for the entire period of probable usefulness of the purpose for which such notes were originally issued.

In general, the Local Finance Law contains provisions providing the Town with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes and budget notes.

### ***Constitutional Debt-Contracting Limitation***

The ORPTS annually establishes State equalization rates for all assessing units in the State, including the Town, which are determined by statistical sampling of market/assessment studies. The equalization rates are used in the calculation and distribution of certain state aids and are used by many localities in the calculation of debt contracting and real property taxing limitations. The Town is not subject to a constitutional real property taxing limitation but has a debt contracting limitation equal to seven percent (7%) of average full valuation (See "Constitutional Requirements, Debt Limit," herein).



The Town determines the assessed valuation for taxable real properties. The ORPTS determines the assessed valuation of special franchises and the taxable ceiling of railroad property. Special franchises include assessments on certain specialized equipment of utilities under, above, upon or through public streets or public places. Certain properties are taxable for school purposes but exempt for Town purposes.

The following table sets forth the Town's debt-contracting limitation.

**Computation of Statutory Debt Contracting Limitation as of August 2, 2018**

<u>FY Ended December 31:</u>	<u>Assessed Valuations <sup>(1)</sup></u>	<u>Equalization Rate <sup>(2)</sup></u>	<u>Full Valuations</u>
2014	\$278,016,831	15.88%	\$ 1,750,735,712
2015	280,822,285	15.82	1,775,109,260
2016	281,527,014	16.33	1,723,986,613
2017	286,169,861	15.70	1,822,737,968
2018	302,749,455	15.34	<u>1,973,594,882</u>
Total Five-Year Full Valuation			<u>\$ 9,046,164,435</u>
Five-Year Average Full Valuation			<u>1,809,232,887</u>
Debt Contracting Limitations: 7% of Five-Year Average Full Valuation			<u>\$ 126,646,302</u>

(1) Decreases in assessed valuation due to major reductions in the taxable valuation of the Lovett Generating Plant owned by Mirant. See LITIGATION," herein. Assessed values are as reported by Town officials.

(2) Final rates as reported by the ORPTS.

Source: Town officials.

***Statutory Debt Limit and Net Indebtedness***

The following table presents the debt-incurring power of the Town and shows that the Town is within its constitutional debt limit.

**Statement of Debt Contracting Power  
As of August 2, 2018**

	<u>Amount</u>	<u>Percentage</u>
Debt Contracting Limitation:	<u>\$ 126,646,302</u>	<u>100.00%</u>
Gross Indebtedness:		
Serial Bonds	15,135,000	11.95
Bond Anticipation Notes	<u>1,484,757</u>	<u>1.17</u>
Total Gross Indebtedness	<u>16,619,757</u>	<u>13.12</u>
Less Exclusions:		
Unexpended Appropriation to Pay Non-Exempt Principal Debt	<u>55,000</u>	<u>0.04</u>
Total Exclusions	<u>55,000</u>	<u>0.04</u>
Net Indebtedness	<u>16,564,757</u>	<u>13.08</u>
Net Debt Contracting Margin	<u>\$ 110,081,545</u>	<u>86.92%</u>

**Short-Term Indebtedness**

The Town is authorized under Local Finance Law to issue short-term notes for various purposes including temporary financing of capital projects, the anticipation of certain operating revenues and emergency funds for budgetary expenditures. Subject to the provisions of the law, notes generally may be renewed from time to time but must be retired within specific time limits which vary, according to the type of note, generally up to five years in the case of bond anticipation notes.

The Town generally does not borrow for operating cash flow purposes and does not reasonably expect that such borrowings will be required in the foreseeable future.

**Bond Anticipation Notes**

The following table shows the amount of bond anticipation notes currently outstanding, the purpose for which they were issued, and respective dates of original issuance and next maturity. All such notes will be paid from budgetary appropriations or bond proceeds within the periods provided for by law.

**Bond Anticipation Notes Outstanding - As of August 2, 2018 <sup>(1)</sup>**

<u>Purpose</u>	<u>Currently Outstanding</u>	<u>Maturity Date</u>
2017 Chevrolet Tahoe	\$ 37,000	8-22-18
2007 Tahoe	7,000	8-22-18
Playground Equipment	35,000	8-22-18
New Vehicle Dump truck	60,000	8-22-18
Raise Roof	30,000	8-22-18
Ranger Picker	3,000	8-22-18
Toro Multi Pro 5800 Sprayer	49,075	8-22-18
Paving 1.5 miles	350,000	8-22-18
Plow Trucks (1)	225,000	8-22-18
New Truck L Brissing	35,000	8-22-18
Airation System	150,000	8-22-18
Repaving of Roads	306,000	8-22-18
Computers and Equipment	58,000	8-22-18
Maintenance Equipment – Golf Course	52,000	8-22-18
Police Vehicles	32,500	8-22-18
Vehicle – Building Inspector	28,182	8-22-18
Maintenance Equipment – Parks	<u>27,000</u>	8-22-18
 Total	 <u><u>\$ 1,484,757</u></u>	

(1) To be renewed at maturity with available funds and proceeds of the Notes (see “Authority for and Purpose of the Notes,” herein).

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The below table provides historic information regarding the gross amount of bond anticipation notes outstanding at the end of the 2013 through 2017 fiscal years.

**Bond Anticipation Note Debt History (2013 – 2017)**

<u>Fiscal Year Ended December 31:</u>	<u>BAN Debt</u>
2013	\$1,874,333
2014	1,852,389
2015	-0-
2016	503,682
2017	1,484,757

Source: The audited financial statements the Town. The summary itself is not audited.

***Trend of Capital Bonded Debt***

The following table sets forth the gross amount of bonded debt outstanding at the end of the 2013 through 2017 fiscal years. Refunded debt has been excluded.

**Bonded Debt History (2013 – 2017)**

<u>Fiscal Year Ended December 31:</u>	<u>Bonded Debt</u>
2013	24,685,684
2014	22,795,000
2015	21,605,221
2016	19,625,000
2017	17,265,000

Source: The audited financial statements the Town. The summary itself is not audited.

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***Overlapping and Underlying Debt***

The real property taxpayers of the Town are responsible for a proportionate share of outstanding debt obligations of the County and one school district situated in the Town. Such taxpayers' share of this overlapping debt is based upon the amount of the Town's equalized property values taken as a percentage of each separate units' total values. The following table presents the amount of overlapping debt and the Town's share of this debt as of the dates indicated; authorized but unissued debt has not been included.

**Statement of Direct and Overlapping Indebtedness**  
**As of August 2, 2018**

Gross Direct Indebtedness	\$16,619,757
Exclusions and Deductions	<u>55,000</u>
Net Direct Indebtedness	<u>\$16,564,757</u>

Overlapping Units	Date of Report	Net Underlying Debt	Debt Percentage Applicable	Applicable Net Indebtedness
Rockland County <sup>(1)</sup>	04-17-18	\$450,745,214	6.29%	\$ 28,351,873
Haverstraw-Stony Point CSD	06-30-17	311,915,213	41.87	<u>130,598,900</u>
Net Total Overlapping Debt				<u><u>\$ 158,950,773</u></u>

(1) Excludes \$25.1 million in budgetary appropriations.

Source: Data provided by County and School District Officials.

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## Debt Ratios

The following table presents certain ratios relative to the Town's capital indebtedness.

### Direct and Overlapping Debt Ratios - As of August 2, 2018

	<u>Amount</u>	<u>Debt Per Capita <sup>(1)</sup></u>	<u>Ratio To Full Value <sup>(2)</sup></u>
Net Direct Debt	\$ 16,619,757	\$ 1,158	0.97%
Net Direct and Overlapping Debt	175,570,530	9,897	8.33

(1) The population of the Town (2016 Census estimate, American Community Survey 5-Year Estimate) is 15,381.

(2) The full valuation of the Town for the 2018 fiscal year is \$1,973,594,882.

## Authorized But Unissued Debt

Excluding the Notes, the Town had \$15,000 in authorized but unissued debt to pay the costs associated with the purchase of a pick-up truck. The Town does not intend to borrow such funds. However, Town officials have indicated the Town intends to finance \$400,000 in connection with sewer improvements. An exact timeframe or structure for the financing has not yet been determined, but it is tentatively expected to be issued in the fall or winter of 2018.

## Debt Service Schedule

The following sets forth the principal and interest payments required to amortize the Town's outstanding bonds.

Years Ending Dec. 31:	<u>Debt Service On Outstanding Bonded Indebtedness</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Cumulative % Principal Paid</u>
2018 <sup>(1)</sup>	\$ 2,185,000	\$ 413,078	\$ 2,598,078	12.66%
2019	2,240,000	354,390	2,594,390	25.63
2020	2,305,000	287,509	2,592,509	38.98
2021	1,520,000	233,096	1,753,096	47.78
2022	1,485,000	198,709	1,683,709	56.39
2023	940,000	165,462	1,105,462	61.83
2024	975,000	142,121	1,117,121	67.48
2025	995,000	117,784	1,112,784	73.24
2026	830,000	95,953	925,953	78.05
2027	750,000	77,778	827,778	82.39
2028	565,000	63,228	628,228	85.66
2029	580,000	51,098	631,098	89.02
2030	590,000	38,290	628,290	92.44
2031	605,000	24,781	629,781	95.95
2032	625,000	10,400	635,400	99.57
2033	25,000	2,500	27,500	99.71
2034	25,000	1,500	26,500	99.86
2035	25,000	500	25,500	100.00
	<u>\$ 17,265,000</u>	<u>\$ 2,278,177</u>	<u>\$ 19,543,177</u>	

(1) As of August 2, 2018, the Town has paid \$2,130,000 in principal and \$279,532 in interest due on serial bonds for the fiscal year ending December 31, 2018.

## ECONOMIC AND DEMOGRAPHIC DATA

The Town is situated in the northeast portion of the County, which continues to rank among the most affluent counties in the State. The Town encompasses approximately 28 square miles and is primarily suburban residential in nature. Population, according to 2015 estimated US Census data, is 15,350. Unemployment rates are not available for the Town. The rates presented below are the County's overall rate compared to rates for the State and United States.

### *Population*

#### Population Trend

	2000	2010	2016	% Change	
				2000-2010	2010-2016
Town	14,244	15,059	15,381	5.7%	2.1%
County	286,753	311,687	322,642	8.7	3.5
State	18,976,457	19,378,102	19,697,457	2.1	1.6

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

### *Income*

#### Per Capita Money Income

	2010	2016	% Change
Town	\$38,594	\$39,805	3.1%
County	34,304	35,557	3.7
State	30,948	34,212	10.5

Source: U.S. Department of Commerce, Bureau of the Census (American Community Survey – 5 Year Estimate).

#### Median Income of Families

2016

Median Income	Income Groups - % of Families					
	Under \$25,000	\$25,000 -49,999	\$50,000 -74,999	\$75,000 -99,999	\$100,000 Or More	
Town	\$112,738	6.0%	9.0%	11.5%	16.4%	57.2%
County	101,398	11.7	12.7	12.1	12.6	51.0
State	74,036	15.5	18.6	16.5	13.2	36.3

Source: U.S. Department of Commerce, Bureau of the Census (American Community Survey – 5 Year Estimate).

### *Employment*

The following tables provide certain information about the types of jobs in which employees in the County and the State are engaged, major employers and unemployment information. Such data is presented for the County and the State as a whole and is not necessarily representative of the Town.

**Average Employed Civilian Labor Force**  
**2000-2017**

	<u>2000</u>	<u>2010</u>	<u>2017</u>	<u>% Change</u>	
				<u>2000-2010</u>	<u>2010-2017</u>
County	139,300	138,800	147,700	(3.6)%	6.4%
State	8,718,700	8,769,700	9,249,200	0.6	5.5

Source: New York State Department of Labor.

**Average Unemployment Rates**

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2013	6.3%	7.7%	7.4%
2014	5.2	6.3	6.2
2015	4.5	5.3	5.3
2016	4.2	4.8	4.9
2017	4.4	4.7	4.4
2018 <sup>1</sup>			
Jan	4.7	5.1	4.5
Feb	5.0	5.1	4.4
Mar	4.5	4.8	4.1
Apr	4.1	4.3	3.7
May	3.6	3.7	3.6
Jun	3.9	4.2	4.2

(1) Monthly Rates.

Source: New York State Labor Department and U.S. Bureau of Labor Statistics.

**Larger Commercial and Industrial Employers in the County**

<u>Name</u>	<u>Industry or Business</u>	<u>Number of Employees</u>
Hamapik of Rockland County	Health Services	1,875
Bon Secours Good Samaritan Hospital	Hospital	1,751
Nyack Hospital	Hospital	1,650
Pfizer, Inc	Pharmaceuticals	1,300
Rockland Psychiatric Center	Health Care	1,224
Jawonio, Inc.	Health Care	1,100
BOCES of Rockland	Health Care	933
Helen Hayes Hospital	Hospital	910
Verizon Wireless	Communications	850
Northern Services Group	Nursing Home	832
St. Dominic's Home	Nursing Home	820
SUNY Rockland Community College	Education	807
Nice-Pak Products, Inc.	Paper Manufacturing	781
Orange & Rockland Utilities	Public Utility	781
AT&T Healthcare	Health Care	760

Source: The Rockland County Official Statement dated March 30, 2017.

<sup>1</sup> Monthly Rates

## Housing Data

### Housing Stock 2000-2016

	Number of Units			% Change	
	2000	2010	2016	2000-2010	2010-2016
Town	4,951	5,569	5,517	12.5%	(0.9)%
County	94,973	104,057	104,651	9.6	0.6
State	7,679,307	8,108,103	8,191,568	5.6	1.0

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

### Median Housing Values and Rentals 2016

	% Constructed 2010-2016	Median Value	Median Rent	Occupancy Status		
		Owner Occupied Units	Renter Occupied Units	Owner Occupied	Renter Occupied	Vacant
Town	0.4%	\$372,000	\$1,428	77.8%	14.8%	7.4%
County	1.6	420,700	1,367	65.2	29.4	5.4
State	1.3	286,300	1,159	47.5	41.2	11.3

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

## Educational

Public schools in the Town are under the administration of Haverstraw-Stony Point Central School District. Additionally, Rockland BOCES is available to students in the Town. Several private schools also provide primary and secondary education. In addition, Rockland Community College offers 2-year degrees in various courses of study.

## Financial Institutions

Numerous banking facilities are available in the Town and adjacent areas. Many of the State's major banks have branch offices located in the area. First Niagara Bank, JP Morgan Chase, Sterling National Bank, and TD Bank N.A. are located within the Town. As of June 30, 2017, total funds deposited at banks located in the Town were approximately \$332.4 million, according to the Federal Deposit Insurance Corporation.

## Transportation

The Town is served by all major forms of transportation. Highway facilities include U.S. Route 9W and the Palisades Interstate Parkway. The County Department of Transportation provides bus service to the Town. The New York City area airports (LaGuardia, Kennedy and Newark Airports) and Stewart Airport in Newburgh, New York, are easily accessible to residents of the Town and provide domestic and international air service on a regular basis.

## Utilities

Water is provided to certain residents of the Town by the United Water Company. Private wells are utilized by those residents not served by United Water Company.



Southern Energy and Orange and Rockland Utilities provide electricity to residents of the Town. Natural gas service is provided by Algonquin Gas Company. Telephone service is provided by Verizon.

***Recreational Facilities***

The Town maintains and operates a number of parks and recreational facilities. Approximately two-thirds of the land area of the Town is comprised of the Palisades Interstate Park where residents can partake of numerous State recreational facilities.

**END OF APPENDIX A**

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**APPENDIX B**

**UNAUDITED SUMMARY OF  
FINANCIAL STATEMENTS AND BUDGETS**

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**TOWN OF STONY POINT  
GENERAL FUND  
BALANCE SHEET  
UNAUDITED PRESENTATION**

AS OF DECEMBER 31:

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>ASSETS</b>					
Cash	\$ 2,166,199	\$ 4,080,123	\$ 3,949,129	\$ 3,624,455	\$ 4,146,795
Receivables:					
Accounts	934,445	809,341	712,419	544,837	760,203
Due From Other Funds	73,268	0	0	1,033,897	925,673
Advances To Other Funds	0	0	0	55,500	155,500
Prepaid Expenses	<u>709,891</u>	<u>498,079</u>	<u>386,450</u>	<u>274,155</u>	<u>352,026</u>
Total Assets	<u>\$ 3,883,803</u>	<u>\$ 5,387,543</u>	<u>\$ 5,047,998</u>	<u>\$ 5,532,844</u>	<u>\$ 6,340,197</u>
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities:					
Accounts Payable	\$ 123,155	\$ 135,471	\$ 171,450	\$ 181,139	\$ 111,185
Accrued Liabilities	192,172	95,691	120,404	83,866	160,979
Due To Other Funds	0	0	77,159	740,564	1,163,933
Unearned Revenues	187,275	210,850	293,742	325,240	149,389
Bond Anticipation Notes Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>502,602</u>	<u>442,012</u>	<u>662,755</u>	<u>1,330,809</u>	<u>1,585,486</u>
Fund Balance:					
Nonspendable	709,891	498,079	386,450	329,655	507,526
Restricted	187,974	718,979	589,448	537,485	529,392
Assigned	350,000	0	475,537	76,000	230,000
Unassigned	2,133,336	3,728,473	2,933,808	3,258,895	3,487,793
Total Fund Balances	<u>3,381,201</u>	<u>4,945,531</u>	<u>4,385,243</u>	<u>4,202,035</u>	<u>4,754,711</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 3,883,803</u>	<u>\$ 5,387,543</u>	<u>\$ 5,047,998</u>	<u>\$ 5,532,844</u>	<u>\$ 6,340,197</u>

The financial data presented on this page has been excerpted from the audited financial statements of the Town. Such presentation, however, has not been audited. Complete copies of the Town's financial statements are available upon request to the Town.

TOWN OF STONY POINT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
UNAUDITED PRESENTATION

AS OF DECEMBER 31:

	2012	2013	2014	2015	2016
<b>REVENUES:</b>					
Real Property Taxes	\$ 10,650,883	\$ 11,500,752	\$ 11,562,356	\$ 11,376,656	\$ 12,202,018
Other Tax Items	92,627	82,789	104,542	87,058	82,525
Non-Property Tax Items	817,044	843,509	868,030	914,489	1,003,984
Departmental Income	794,474	895,609	955,092	981,240	1,025,312
Use Of Money And Property	133,123	115,582	31,046	26,774	28,417
Money In Lieu Of Land	0	0	0	0	0
Licenses And Permits	23,539	121,591	232,480	133,152	173,069
Fines And Forfeitures	416,183	313,809	332,660	324,020	330,453
Sale Of Property And Compensation For Loss	60,767	79,008	74,433	86,172	49,885
Miscellaneous	228,635	211,101	358,537	131,293	1,064,136
Federal Aid	271,370	193,931	122,911	176,545	0
State Aid	491,831	480,450	215,509	474,604	465,917
<b>Total Revenues</b>	<b>13,980,476</b>	<b>14,838,131</b>	<b>14,857,596</b>	<b>14,712,003</b>	<b>16,425,716</b>
<b>EXPENDITURES:</b>					
Current:					
General Government Support	2,368,240	2,146,580	2,603,419	2,358,272	2,439,397
Public Safety	4,488,841	4,854,825	4,529,653	4,812,878	5,168,633
Transportation	94,138	94,951	94,651	99,145	101,215
Culture And Recreation	1,532,885	1,498,026	1,590,225	1,518,022	1,570,348
Economic Opportunity And Development	236,414	244,168	162,756	192,727	184,798
Employee Benefits	3,827,498	4,575,262	4,198,408	3,989,414	4,216,463
Debt Service	992,927	1,032,498	1,027,001	899,184	1,133,310
<b>Total Expenditures</b>	<b>13,540,943</b>	<b>14,446,310</b>	<b>14,206,113</b>	<b>13,869,642</b>	<b>14,814,164</b>
Excess of Revenues (Deficiency) Over Expenditures	439,533	391,821	651,483	842,361	1,611,552
<b>OTHER FINANCING SOURCES (USES)</b>					
Bonds Issued	406,608	0	0	142,504	0
Proceeds from Obligations	0	1,500,000	0	0	7,888,995
Transfers In	17,425	587,523	0	0	0
Transfers Out	(1,118,448)	(915,014)	(1,211,771)	(1,168,073)	(8,947,871)
<b>Total Other Financing Sources (Uses)</b>	<b>(694,415)</b>	<b>1,172,509</b>	<b>(1,211,771)</b>	<b>(1,025,569)</b>	<b>(1,058,876)</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures And Other Uses	(254,882)	1,564,330	(560,288)	(183,208)	552,676
Fund Balance - Beginning of Year	3,636,083	3,381,201	4,945,531	4,385,243	4,202,035
Transfer - Parkland and Sidewalks	0	0	0	0	0
Prior Period Adjustments	0	0	0	0	0
<b>Fund Balance - End of Year</b>	<b>\$ 3,381,201</b>	<b>\$ 4,945,531</b>	<b>\$ 4,385,243</b>	<b>\$ 4,202,035</b>	<b>\$ 4,754,711</b>

The financial data presented on this page has been excerpted from the audited financial statements of the Town. Such presentation, however, has not been audited. Complete copies of the Town's financial statements are available upon request to the Town.

**TOWN OF STONY POINT  
OTHER GOVERNMENTAL FUNDS\*  
BALANCE SHEET  
UNAUDITED PRESENTATION**

AS OF DECEMBER 31:

	2012	2013	2014	2015	2016
<b>ASSETS</b>					
Cash	\$ 1,886,620	\$ 1,318,727	\$ 836,693	\$ 1,327,015	\$ 651,747
Receivables:					
Accounts	338,248	375,335	179,864	5,509	2,129
Due From Other Funds	0	0	77,159	227,066	314,977
State and Federal Aid	0	0	0	0	0
Prepaid Expenses	71,956	89,154	67,334	62,184	49,941
<b>Total Assets</b>	<b>\$ 2,296,824</b>	<b>\$ 1,783,216</b>	<b>\$ 1,161,050</b>	<b>\$ 1,621,774</b>	<b>\$ 1,018,794</b>
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities:					
Accounts Payable	\$ 186,505	\$ 128,093	\$ 247,088	\$ 251,386	\$ 85,292
Other Liabilities	0	0	549	0	184,876
Bond Anticipation Notes	0	0	0	0	0
Unearned Revenue	0	0	0	7,012	0
Due To Other Funds	0	0	0	272,585	38,488
<b>Total Liabilities</b>	<b>186,505</b>	<b>128,093</b>	<b>247,637</b>	<b>530,983</b>	<b>308,656</b>
Deferred Inflows of Resources					
Taxes Collected in Advance	0	0	0	217,124	0
<b>Total Liabilities &amp; Deferred Inflows of Resources</b>	<b>186,505</b>	<b>128,093</b>	<b>247,637</b>	<b>748,107</b>	<b>308,656</b>
Fund Balance:					
Nonspendable	71,956	89,154	67,334	62,184	49,941
Restricted	579,409	69,253	69,253	69,253	69,253
Assigned	1,458,954	1,496,716	776,826	742,230	590,944
<b>Total Fund Balances</b>	<b>2,110,319</b>	<b>1,655,123</b>	<b>913,413</b>	<b>873,667</b>	<b>710,138</b>
<b>Total Liabilities, Deferred Inflows of Resources &amp; Fund Balances</b>	<b>\$ 2,296,824</b>	<b>\$ 1,783,216</b>	<b>\$ 1,161,050</b>	<b>\$ 1,621,774</b>	<b>\$ 1,018,794</b>

\* Other Governmental Funds includes the Highway Fund and Special Districts Fund (Sewer, Lighting, Ambulance and Solid Waste).  
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TOWN OF STONY POINT  
OTHER GOVERNMENTAL FUNDS\*  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
UNAUDITED PRESENTATION

AS OF DECEMBER 31:

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>REVENUES:</b>					
Real Property Taxes	\$ 4,264,843	\$ 3,790,379	\$ 3,977,976	\$ 4,323,280	\$ 3,748,753
Departmental Income	14,603	14,352	15,466	15,998	16,167
Use Of Money And Property	15,141	10,970	10,047	10,378	7,485
Intergovernmental Income	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Sale of Property And Compensation For Loss	25,001	20,766	21,053	10,068	8,501
Licenses And Permits	13,558	14,454	11,194	11,855	13,081
State Aid	149,952	242,227	77,159	107,901	85,218
Federal Aid	166,046	572,751	0	0	0
Miscellaneous	6,833	22,212	12,179	6,049	0
<b>Total Revenues</b>	<u>4,655,977</u>	<u>4,688,111</u>	<u>4,125,074</u>	<u>4,485,529</u>	<u>3,879,205</u>
<b>EXPENDITURES:</b>					
Current:					
General Government Support	87,897	84,261	87,521	132,731	114,192
Transportation	1,568,829	1,937,107	1,777,072	1,957,675	1,589,502
Home And Community Services	1,416,523	1,202,101	1,144,106	858,435	859,211
Health	503,867	339,758	488,445	492,428	341,473
Employee Benefits	608,023	658,984	709,180	885,725	849,688
Debt Service	395,717	286,749	271,854	215,220	342,652
<b>Total Expenditures</b>	<u>4,580,856</u>	<u>4,508,960</u>	<u>4,478,178</u>	<u>4,542,214</u>	<u>4,096,718</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>75,121</u>	<u>179,151</u>	<u>(353,104)</u>	<u>(56,685)</u>	<u>(217,513)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Bonds Issued	69,076	0	0	0	0
Insurance Recoveries	226,461	188,237	0	16,939	53,984
Transfers In	0	0	0	0	0
Transfers Out	(214,643)	(822,584)	(388,606)	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>80,894</u>	<u>(634,347)</u>	<u>(388,606)</u>	<u>16,939</u>	<u>53,984</u>
Excess (Deficiency) of Revenues And Other Financing Sources Over Expenditures And Other Uses	<u>156,015</u>	<u>(455,196)</u>	<u>(741,710)</u>	<u>(39,746)</u>	<u>(163,529)</u>
Fund Balance - Beginning of Year Adjustment	<u>1,954,304</u>	<u>2,110,319</u>	<u>1,655,123</u>	<u>913,413</u>	<u>873,667</u>
<b>Fund Balance - End of Year</b>	<u>\$ 2,110,319</u>	<u>\$ 1,655,123</u>	<u>\$ 913,413</u>	<u>\$ 873,667</u>	<u>\$ 710,138</u>

\* Other Governmental Funds includes the Highway Fund and Special Districts Fund (Sewer, Lighting, Ambulance and Solid Waste).

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**TOWN OF STONY POINT  
2017 OPERATING BUDGET**

	General Fund	Highway Fund	Sewer Fund	Enterprise Fund	Total 2017 Budget
<b>ESTIMATED REVENUES:</b>					
Real Property Taxes	\$ 12,185,510	\$ 1,978,717	\$ 1,479,676	\$ 0	\$ 15,643,903
Real Property Taxes Items	70,660	0	0	0	70,660
Non-Property Tax Items	854,574	0	0	0	854,574
Departmental Income	1,023,450	0	12,700	2,051,071	3,087,221
Use Of Money And Property	23,500	2,292	1,700	400	27,892
Intergovernmental Revenue	375,799	0	296,732	0	672,531
Licenses And Permits	112,250	0	0	0	112,250
Fines And Forfeitures	320,100	0	0	0	320,100
Sale Of Property And Compensation For Loss	41,000	20,000	0	0	61,000
Federal Aid	237,000	0	0	0	237,000
State Aid	655,604	69,200	0	0	724,804
Miscellaneous	10,000	14,000	0	0	24,000
<b>Total Estimated Revenues</b>	<b>15,909,447</b>	<b>2,084,209</b>	<b>1,790,808</b>	<b>2,051,471</b>	<b>21,835,935</b>
<b>APPROPRIATIONS:</b>					
Current:					
General Government Support	2,371,013	52,000	85,100	43,000	2,551,113
Education	157,250	0	0	0	157,250
Public Safety	5,005,223	0	0	0	5,005,223
Health	5,674	0	0	0	5,674
Transportation	129,058	1,355,231	0	0	1,484,289
Culture And Recreation	1,432,644	0	0	1,393,482	2,826,126
Home And Community Services	160,498	0	782,176	0	942,674
Employee Benefits	4,577,518	538,978	304,645	311,062	5,732,203
Debt Service	930,000	293,000	25,423	1,674,500	2,922,923
<b>Total Appropriations</b>	<b>14,768,878</b>	<b>2,239,209</b>	<b>1,197,344</b>	<b>3,422,044</b>	<b>21,627,475</b>
Excess (Deficiency) Of Estimated Revenues Over Appropriations	1,140,569	(155,000)	593,464	(1,370,573)	208,460
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfer In	0	0	0	1,370,571	1,370,571
Transfer Out	(1,370,571)	0	0	0	(1,370,571)
	(1,370,571)	0	0	1,370,571	0
Excess (Deficiency) of Estimated Revenues and Other Financing Sources Sources Over Appropriations and Other Financing Uses	(230,002)	(155,000)	593,464	(2)	208,460
<b>APPROPRIATED FUND BALANCE</b>	<b>\$ 230,000</b>	<b>\$ 155,000</b>	<b>\$ (593,464)</b>	<b>\$ 0</b>	<b>\$ (208,460)</b>

(1) Includes lighting and solid waste districts

**TOWN OF STONY POINT  
2018 OPERATING BUDGET**

	General Fund	Highway Fund	Sewer Fund	Enterprise Fund	Total 2018 Budget
<b>ESTIMATED REVENUES:</b>					
Real Property Taxes	\$ 12,752,418	\$ 2,293,136	\$ 1,589,859	\$ 0	\$ 16,635,413
Real Property Taxes Items	70,660	0	0	0	70,660
Non-Property Tax Items	1,023,000	0	0	0	1,023,000
Departmental Income	1,041,000	0	12,700	2,030,200	3,083,900
Use Of Money And Property	25,025	2,292	3,000	675	30,992
Intergovernmental Revenue					
Licenses And Permits	117,000	0	0	0	117,000
Fines And Forfeitures	332,100	0	0	0	332,100
Sale Of Property And Compensation For Loss	41,100	10,000	0	0	51,100
Federal Aid	0	0	0	0	0
State Aid	458,654	69,200	0	0	527,854
Miscellaneous	0	0	0	0	0
<b>Total Estimated Revenues</b>	<b>15,860,957</b>	<b>2,374,628</b>	<b>1,605,559</b>	<b>2,030,875</b>	<b>21,872,019</b>
<b>APPROPRIATIONS:</b>					
Current:					
General Government Support	2,389,688	53,000	136,700	43,000	2,622,388
Education	157,250	0	0	0	157,250
Public Safety	4,940,032	0	0	0	4,940,032
Health	5,773	0	0	0	5,773
Transportation	134,778	1,403,718	0	0	1,538,496
Culture And Recreation	1,618,704	0	0	1,518,386	3,137,090
Home And Community Services	163,129	0	889,652	0	1,052,781
Employee Benefits	4,775,796	634,001	322,896	326,064	6,058,757
Debt Service	788,207	283,909	27,349	1,520,614	2,620,079
<b>Total Appropriations</b>	<b>14,973,357</b>	<b>2,374,628</b>	<b>1,376,597</b>	<b>3,408,064</b>	<b>22,132,646</b>
Excess (Deficiency) Of Estimated Revenues Over Appropriations	887,600	0	228,962	(1,377,189)	(260,627)
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfer In	264,456	0	0	1,377,189	1,641,645
Transfer Out	(1,377,056)	0	(228,962)	0	(1,606,018)
	(1,112,600)	0	(228,962)	1,377,189	35,627
Excess (Deficiency) of Estimated Revenues and Other Financing Sources Sources Over Appropriations and Other Financing Uses	(225,000)	0	0	0	(225,000)
<b>APPROPRIATED FUND BALANCE</b>	<b>\$ 225,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 225,000</b>

(1) Includes lighting and solid waste districts

**APPENDIX C**

**LINK TO  
INDEPENDENT AUDITORS' REPORTS  
FOR THE FISCAL 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/ES1042529-ES814799-ES1216182.pdf>**

**\* Such Financial Statements and opinion are intended to be representative only as of the date thereof. PKF O'Connor Davies, LLP has not been requested by the Town to further review and/or update such Financial Statements or opinion in connection with the preparation and dissemination of this Official Statement.**

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