PRELIMINARY OFFICIAL STATEMENT

NEW ISSUE **SERIAL BONDS**

MOODY'S INVESTORS SERVICE: "Aa3" **See "BOND RATING" herein**

In the opinion of Walsh & Walsh, LLP, Saratoga Springs, New York, Bond Counsel, under existing law, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the individual alternative minimum tax imposed by the Internal Revenue Code of 1986, as amended (the "Code"), subject to the condition that the Village comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. In the opinion of Bond Counsel, under existing law, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York. No opinion is expressed regarding any other tax consequences resulting from ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See "TAX MATTERS" herein.

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

$2,400,000

VILLAGE OF LAKE PLACID

ESSEX COUNTY, NEW YORK

GENERAL OBLIGATIONS

CUSIP BASE #: 510516

$2,400,000 Public Improvement (Serial) Bonds, 2019

(referred to herein as the "Bonds")

Dated: February 28, 2019 **Due: February 15, 2020-2039**

MATURITIES*

Year	Amount*	Rate	Yield	CUSIP	Year	Amount*	Rate	Yield	CUSIP
2020	$ 85,000				2030**	$ 120,000			
2021	90,000				2031**	125,000			
2022	90,000				2032**	130,000			
2023	95,000				2033**	130,000			
2024	100,000				2034**	135,000			
2025	100,000				2035**	140,000			
2026	105,000				2036**	145,000			
2027	110,000				2037**	155,000			
2028**	110,000				2038**	155,000			
2029**	115,000				2039**	165,000			

* Principal amounts are subject to change pursuant to the accompanying Notice of Private Competitive Bond Sale in order to achieve substantially level or declining annual debt service.

** The Bonds maturing in the years 2028-2039 are subject to redemption prior to maturity. See "DESCRIPTION OF THE BONDS - Optional Redemption" herein.

The Bonds are general obligations of the Village of Lake Placid, Essex County, New York (the "Village"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to applicable statutory limitations. See "TAX LEVY LIMITATION LAW" herein.

The Bonds will be issued as registered bonds and may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which, if so elected by the purchaser, will act as securities depository for the Bonds. If the Bonds are issued in book-entry-only form, individual purchases will be in the principal amount of $5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Principal and interest will be paid by the Village to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein. If the Bonds are issued registered in the name of the purchaser, the Bonds will be issued in denominations of $5,000 or integral multiples thereof for any single maturity, and the Village will act as paying agent. Interest on the Bonds will be payable on February 15, 2020 and August 15, 2020 and semi-annually thereafter on February 15 and August 15 in each year until maturity.

Proposals for the Bonds shall be for not less than $2,400,000 and accrued interest, if any, on the total principal amount of the Bonds. A good faith deposit will not be required.

The Bonds are offered when, as and if issued and received by the purchaser and subject to the receipt of the approving legal opinion as to the validity of the Bonds of Walsh & Walsh, LLP, Saratoga Springs, New York, Bond Counsel. It is anticipated that the Bonds will be available for delivery through the facilities of DTC located in Jersey City, New Jersey or as may be agreed upon with the purchaser on or about February 28, 2019.

January 31, 2019

ELECTRONIC BIDS for the Bonds must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible at www.FiscalAdvisorsAuction.com on February 14, 2019 until 11:00 A.M., Eastern Time, pursuant to the Notice of Private Competitive Bond Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the Village, each bid will constitute an irrevocable offer to purchase the Bonds pursuant to the terms provided in the Notice of Private Competitive Bond Sale.

THE VILLAGE DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 ("THE RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER, AS MORE FULLY DESCRIBED IN THE NOTICE OF PRIVATE COMPETITIVE BOND SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. FOR A DESCRIPTION OF THE VILLAGE'S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE BONDS AS DESCRIBED IN THE RULE, SEE "APPENDIX C – CONTINUING DISCLOSURE UNDERTAKING" HEREIN.

VILLAGE OF LAKE PLACID
ESSEX COUNTY, NEW YORK

VILLAGE OFFICIALS

CRAIG H. RANDALL
MAYOR

VILLAGE BOARD OF TRUSTEES

ART DEVLIN
DEPUTY MAYOR

PETER HOLDERIED
JASON LEON
SCOTT MONROE

* * * * * * * * *

PAUL J. ELLIS, CMFO
Village Treasurer

MINDY GODDEAU
Village Deputy Treasurer

ANITA A. ESTLING
Village Clerk

FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

WALSH & WALSH, LLP
Bond Counsel

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

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PREPARED WITH THE ASSISTANCE OF

Fiscal Advisors & Marketing, Inc.
120 Walton Street, Suite 600
Syracuse, New York 13202
(315) 752-0051
http://www.fiscaladvisors.com

OFFICIAL STATEMENT

of the

VILLAGE OF LAKE PLACID
ESSEX COUNTY, NEW YORK

Relating To

$2,400,000 Public Improvement (Serial) Bonds, 2019

This Official Statement, which includes the cover page and all Appendices, has been prepared by the Village of Lake Placid, Essex County, New York (the "Village", "County", and "State", respectively) in connection with the sale by the Village of $2,400,000 Public Improvement (Serial) Bonds, 2019 (the “Bonds”).

The factors affecting the Village’s financial condition and the Bonds are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the Village’s tax base, revenues, and expenditures, this Official Statement should be read in its entirety.

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

THE BONDS

Description of the Bonds

The Bonds will be dated and delivered on February 28, 2019 and will mature in the principal amounts and on the dates as set forth on the cover page. The Bonds are subject to redemption prior to maturity. The “Record Date” of the Bonds will be the last business day of the calendar month preceding each such interest payment date.

The Bonds will be issued as registered bonds and may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which, if so elected by the purchaser, will act as securities depository for the Bonds. If the Bonds are issued in book-entry-only form, individual purchases will be in the principal amount of $5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Principal and interest will be paid by the Village to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds. See “BOOK-ENTRY-ONLY SYSTEM” herein. If the Bonds are issued registered in the name of the purchaser, the Bonds will be issued in denominations of $5,000 or integral multiples thereof for any single maturity, and the Village will act as paying agent. Interest on the Bonds will be payable February 15, 2020 and August 15, 2020 and semi-annually thereafter on February 15 and August 15 in each year until maturity.

Optional Redemption

The Bonds maturing on or before February 15, 2027 shall not be subject to redemption prior to maturity. The Bonds maturing on or after February 15, 2028 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed), at the option of the Village on February 15, 2027 or on any date thereafter at par (100%), plus accrued interest to the date of redemption.

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

Purpose of Issue

The Bonds are being issued pursuant to the Constitution and statutes of the State, including among others, the Village Law and the Local Finance Law and bond resolutions dated December 18, 2017 and September 4, 2018 authorizing the issuance of $2,400,000 serial bonds to finance the planning and construction of the electric substation 1 bypass project.

The proceeds of the Bonds will provide $2,400,000 new monies to permanently finance the abovementioned purpose.

BOOK-ENTRY-ONLY SYSTEM

If so selected by the purchaser, the Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds in the aggregate principal amount of such issue, and will be deposited with DTC.

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

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village, 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 Village, 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 Village, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

THE VILLAGE CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS, 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 VILLAGE 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 BONDS; (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 BONDS.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE VILLAGE MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the Village and discharging its responsibilities with respect thereto under applicable law, or the Village may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of $5,000 each or any integral multiple thereof for any single maturity. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the Village upon termination of the book-entry-only system. Interest on the Bonds will be payable on February 15, 2020 and August 15, 2020 and semi-annually thereafter on February 15 and August 15 in each year until maturity. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the last business day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Certificate of Determination of the Village Treasurer authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the last business day of the calendar month preceding an interest payment date and such interest payment date.

THE VILLAGE

General Information

The Village encompasses approximately 1.5 square miles and is located in the Town of North Elba in the northwestern corner of the County of Essex (the "County") about 100 miles from the Canadian border. The Village is a resort area, popular for its lakes and mountains and both summer and winter sports activities. It has a permanent population (approximately 2,414) but has a larger seasonal population (approximately 6,000) and a high level of commercial and service facilities to support it.

The Village is situated within the Adirondack Park and the surrounding land is largely rural and undeveloped providing a greater quality of life to both residents and visitors. According to regional tourism analytics, the Village experiences 3.4 million overnight visitors throughout the year which represents $508 million in spending. The number of day visits is 3.6 million with $213 million in spending. (Source: Longwoods International. Adirondacks, New York – 2017 Visitor Report. http://www.roostadk.com/wp-content/uploads/2018/11/Adirondacks-2017-Visitor-Report-Final.pdf, accessed December 17, 2018).

The Village was the site of the 1932 and the 1980 Winter Olympic Games and the land area has since been designated as a United States Olympic Training Center. The Training Center is one of three in the United States and provides training for athletes from around the world. The Village continues to be a major player in hosting World Cup, National, New York State and Ironman athletic events. The Village also hosts separately a Can-Am International Rugby Tournament and the Lake Placid Summit Lacrosse Tournament. The Lake Placid region is also home to New York State's 46 High Peaks area which makes it the primary hiking destination in the State. The combination of summer and winter events makes Lake Placid the ideal tourism destination.

Village officials have been pursuing opportunities to bring international competitions to Lake Placid. These efforts were successful and the Village is hosting the International Children's Winter Games in January 2019 and the 2023 World University Winter Games. In preparation for the World University Games, the State of New York is investing in upgrading several of the Olympic Venue Sites.

The economy of both the Village and the County is dominated by the service and trade areas (chiefly tourism related). Almost two-thirds of the employment in the County is in these areas. The Lake Placid region generates 30% of the tourism dollars for the seven county North Country Region of New York State (including Essex, St. Lawrence, Franklin, Jefferson, Clinton, Lewis and Hamilton counties) due to the Adirondacks, availability of lodging, shopping, geographical beauty and events available in the region.

Highways serving the Village are State Routes 86 and 73. Route 73 connects with the New York State Northway (Interstate 87) approximately 30 miles southeast of the Village. There are three airports within 45 minutes of the Village. One airport is located within the Lake Placid area, a second larger regional airport is located outside of Saranac Lake and the third and largest airport is in Plattsburgh. The Plattsburgh International Airport is serviced by three national airline carriers. Trailways Bus Line and Franklin County and Essex County Transportation Systems serve local residents and area visitors.

The Village's fiscal year runs August 1 through July 31. Annually, the Village files the following documents with the New York State Comptroller: Annual Financial Report Update Document (AUD), Property Tax Cap Limit, Constitutional Tax Limit and the annual operating budget for all funds.

Source: Village officials.

Services

The Village is responsible for providing most governmental services to its residents. Services performed by the Village include: police, highway, street and sidewalk maintenance, parks and recreational facility maintenance, fire drivers for Volunteer Fire Department, water, sewer, electric, local justice court system, economic development, capital infrastructure projects, grant administration, joint planning and review board in conjunction with the Town of North Elba. Property assessment, building inspection, landfill and animal control are the responsibility of the Town of North Elba. The Village furnishes police protection, while the State Police provides highway patrols and the County Sheriff's office furnishes special police services. Ambulance service is provided by the Lake Placid Volunteer Ambulance Corps. Adirondack Medical Center provides hospital services and is located in the Village. Education is the responsibility of the Lake Placid Central School District. Other educational facilities within the Village include Northwood School (private) and St. Agnes School (private, parochial). The County provides various social and health services.

Source: Village officials.

Population Trends

Year	Village of Lake Placid	County of Essex	State of New York
1980	2,490	36,176	17,558,072
1990	2,485	37,152	17,990,455
2000	2,638	38,851	18,976,457
2010	2,521	39,370	19,378,102
2017 (estimate)	2,414	37,956	19,849,399

Source: U.S. Census Bureau.

Larger Employers

The following table lists the major employers located in and near the Village.

Name	Type of Business	Number Employed
Olympic Regional Development Authority	Public Authority	882
NYSDOC Adirondack Corrections	State Correctional Facility	300
FCI – Raybrook	Federal Prison	270
Crowne Plaza	Hotel	170
Lake Placid Central School District	Public School	160
Mirror Lake Inn	Hotel	152
North Country Community College	2-Year Community College	145
High Peaks Resort	Hotel	125
Golden Arrow	Lakeside Resort	100
Lake Placid Village, Inc.	Municipality	77
Town of North Elba	Municipality	45

Source: Village officials.

Selected Wealth and Income Indicators

The figures set below with respect to the Village, Town and County are included for information only. It should not be inferred from the inclusion of such data in this Official Statement that the Town or the County are necessarily representative of the Village, or vice versa.

	Per Capita Income			Median Family Income		
	2000	2006-2010	2012-2016	2000	2006-2010	2012-2016
Village of:						
Lake Placid	$ 18,507	$ 24,181	$ 29,892	$ 43,042	$ 49,830	$ 62,470
Town of:						
North Elba	19,259	24,121	27,818	44,828	63,576	83,824
County of:						
Essex	18,194	24,390	28,155	41,927	55,781	66,115
State of:						
New York	23,389	30,948	34,212	51,691	67,405	74,036

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2012-2016 American Community Survey data.

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Unemployment Rate Statistics

Unemployment statistics are not available for the Village as such. The smallest area for which such statistics are available (which includes the Village) is the County. The information set forth below with respect to the County is included for information purposes only. It should not be implied from the inclusion of such data in this Official Statement that the County is necessarily representative of the Village, or vice versa.

	Annual Average						
	2011	2012	2013	2014	2015	2016	2017
Essex County	9.1%	9.6%	8.3%	6.9%	6.0%	5.3%	5.6%
New York State	8.3	8.5	7.7	6.3	5.3	4.8	4.7

	2018 Monthly Figures											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Essex County	7.1%	7.4%	7.1%	6.3%	4.7%	4.3%	3.8%	3.7%	3.6%	3.5%	4.2%	4.9%
New York State	5.1	5.1	4.8	4.3	3.7	4.2	4.2	4.1	3.8	3.6	3.5	3.8

Note: Unemployment rates for January of 2019 are unavailable as of the date of this Official Statement.

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

Form of Village Government

The Village was established in 1900 as a municipal corporation under the laws of the State. Subject to the provisions of the State Constitution, the Village operates pursuant to the Village Law and the Local Finance Law of the State, other laws generally applicable to the Village and any special laws applicable to the Village. Under such laws, there is no authority for the Village to have a charter, but, pursuant to the Village Law and other laws generally applicable to home rule, the Village may from time to time adopt local laws.

The legislative power of the Village is vested in the Village Board of Trustees, which consists of five members including the Mayor, who is the Chief Executive Officer of the Village elected for a term of four years. The four other members of the Board of Trustees are elected to four-year terms, which terms are staggered such that two Trustees are elected every two years. All of the members of the Board of Trustees are elected at-large, and no trustee may serve more than three consecutive four-year terms.

The Mayor, with the approval of the Board of Trustees, appoints a Village Clerk and a Village Treasurer for a period not to exceed the term of the Mayor. The Village Treasurer is the Chief Fiscal Officer who maintains custody of all Village funds, issues all checks and serves as a tax collector. The Board of Trustees acts as Commissioners of the various Village departments and serves as internal auditors.

Budgetary Procedures

The Mayor serves as Budget Officer by Village Law. The Village Treasurer prepares a tentative budget each year, pursuant to the Laws of the State of New York. The tentative budget is submitted to the Mayor who reviews and then submits to the Village Clerk for presentation to the Village Board of Trustees. The budget process, including preparation, approval and amendment, is determined by Article 5 of the Village Law. Pursuant to Article 5, the tentative budget for the fiscal year commencing the following August 1 must be filed in the office of the Village Clerk on or before May 20 of each year. The tentative budget must then be submitted to the Board of Trustees not later than May 31. Following its review and incorporation of changes to the tentative budget, the Board of Trustees will adopt its preliminary budget which is subject to a public hearing not later than June 15. The Board of Trustees may make revisions to the preliminary budget based on comments received at the public hearing and must adopt the village budget not later than July 1. The budget is not subject to referendum.

Village officials have never proposed overriding the tax levy limit in any fiscal year, including the current year.

For the fiscal year ending July 31, 2018, the Village's tax levy increase was 1.4% which was equal to the tax levy limit.

For the fiscal year ending July 31, 2019, the Village's tax levy increase was 2.0% which was equal to the tax levy limit.

Investment Policy

Pursuant to the statutes of the State of New York, the Village is generally permitted to invest only in the following investments: (1) special time deposit accounts in or certificates of deposits issued by a bank or trust company located and authorized to do business in the State of New York; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality, school district, or district corporation, other than the Village; (6) obligations of New York public benefit corporations which are made lawful investments by the Village pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State of New York; and (8) in the case of Village moneys held in certain reserve funds established pursuant to law, in obligations issued by the Village. These statutes further require that all bank deposits, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law.

State Aid

The Village receives financial assistance from the State. In its budget for the 2018-2019 fiscal year, approximately 3.23% of the operating revenues of the Village are estimated to be received in the form of State aid. If the State should experience difficulty making State aid payments, the Village carries sufficient Fund Balance to support any budgetary shortfall in revenues. Additionally, if the State should not adopt its budget in a timely manner the Village has sufficient Fund Balance to provide the necessary cash flow for an extended period of time and would not be impacted by a delay in State aid.

The State is not constitutionally obligated to maintain or continue State aid to the Village. No assurance can be given that present State aid levels will be maintained in the future. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the Village requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

Employees

The Village provides services through approximately 65 full-time employees and two part-time employees, of whom 52 are represented by unions as follows:

Bargaining Unit	Number of Members	Contract Term
International Brotherhood of Electrical Workers (IBEW)	12	8/1/17-7/31/20
Civil Service Employee Association (CSEA)	14	8/1/17-7/31/20
LPFFA, Local 4608 - Fire	5	8/1/16-7/31/19
Teamsters, Water & Wastewater	11	8/1/17-7/31/20
PBA, Police	10	8/1/17-7/31/19

Source: Village officials.

Status and Financing of Employee Pension Benefits

Substantially all employees of the Village 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"; with ERS, the "Retirement Systems"). The ERS is generally also known as the "Common Retirement Fund". The Retirement Systems are cost-sharing multiple public employer retirement systems. The obligation of employers and employees to contribute and the benefit to employees are governed by the New York Retirement and Social Security Law (the "Retirement System Law"). The Retirement Systems offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in each 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 Systems.

The ERS is non-contributory with respect to members hired prior to July 27, 1976 (Tier 1 & 2); members hired from July 27, 1976 through December 31, 2009 (Tier 3 & 4) contribute 3% for the first 10 years of service and then become non-contributory; members hired from January 1, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3% and 6% for their entire careers based on their annual wage.

The PFRS is non-contributory with respect to members hired prior to January 8, 2010 (Tier 1, 2 & 3); members hired from January 9, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3% and 6% for their entire careers based on their annual wage.

For both ERS & PFRS, Tier 5 provides for:

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62.
- Requiring employees to continue contributing 3% of their salaries toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw pension from 5 years to 10 years.
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at $15,000 per year, and for police and firefighters at 15% of non-overtime wages.

For both ERS & PFRS, Tier 6 provides for:

- Increase in contribution rates of between 3% and 6% based on annual wage.
- Increase in the retirement age from 62 years to 63 years.
- A readjustment of the pension multiplier.
- A change in the period for final average salary calculation from 3 years to 5 years.

The Village's payments to ERS and PFRS in fiscal years ending 2014 through 2019 have been as follows:

Fiscal Year	ERS	PFRS	Total
2014	$ 659,426	$ 234,291	$ 893,717
2015	528,283	184,143	712,426
2016	603,259	126,247	729,506
2017	510,189	151,164	661,353
2018	475,606	173,885	649,491
2019	462,072	167,118	629,190

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. The Village does not have any early retirement incentives outstanding.

Historical Trends and Contribution Rates: Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement Systems in the 1990s, the locally required annual contribution declined to zero. However, with the subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially to 15% to 20% of payroll for the employees' and the police and fire retirement systems, respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

A chart of average ERS and PFRS rates (2016 to 2020) is shown below:

Year	ERS	PFRS
2016	18.2%	24.7%
2017	15.5	24.3
2018	15.3	24.4
2019	14.9	23.5
2020	14.6	23.5

Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program that establishes a minimum contribution for any employer equal to 4.5% of pensionable salaries for required contributions due December 15, 2003 and for all years thereafter where the actual rate would otherwise be 4.5% or less. In addition, it instituted a billing system that will advise employers over one year in advance concerning actual pension contribution rates.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating local government employers, if they so elect, to amortize an eligible portion of their annual required contributions to both ERS and PFRS, when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a "graded" rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period, but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year's amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating employer's graded payment eliminates all balances owed on prior amortized amounts, any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that amortizing employer has no currently unpaid prior amortized amounts, for future such use.

Stable Rate Pension Contribution Option: The 2013-14 Adopted State Budget included a provision that authorized local governments, including the Village, with the option to "lock-in" long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS and PFRS. For 2014 and 2015 the rate is 12.0% for ERS and 20% for PFRS; the rates applicable to 2016 and thereafter are subject to adjustment. The pension contribution rates under this program would reduce near-term payments for employers, but require higher than normal contributions in later years.

The Village is not amortizing or smoothing any pension payments nor does it intend to do so in the foreseeable future.

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

Other Post-Employment Benefits

The Village does not currently have any post-retirement healthcare benefit (OPEB) liabilities. The Village is not required to report OPEB since its financial reporting is solely a regulatory filing with NYS Comptroller's Office.

Health care benefits and survivors benefits are provided through an insurance company whose premiums are based on the benefits paid during the year. The Village recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the year paid. Upon reaching age 65, participating parties are transferred to a secondary plan with Medicare being primary. In its W fund (Non-Current Governmental Liabilities), the Village is accruing 1/30th of the total expense for General, Water and Sewer only and will continue the accrual until the amount in the W fund reflects the estimated liability. The Electric fund is not included as it is an enterprise fund.

Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension* ("GASB No. 75"): GASB No. 75 establishes financial reporting standards for other postemployment benefits (OPEB) plans for state and local governments. This standard replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions,* as amended. The statement establishes standards for recognizing and measuring liabilities, deferred inflows and outflows of resources, and expense/expenditures, as well as identifying the methods and assumptions required to project benefit payments, discount projected benefit payments, to their actuarial present value, and attribute that present value to periods of employee service. Additionally, GASB No. 75 lays out requirements for additional note disclosures and required supplementary information. These requirements are effective for fiscal years beginning after June 15, 2017. The Village has not implemented the GASB No. 75 which is required for financial statements presented in accordance with U.S. GAAP, but may not be required for financial reporting to the New York State Comptroller's Office. (Source: 2017 Financial Report)

Other Information

The statutory authority for the power to spend money for the objects or purposes or to accomplish the objects or purposes for which the Bonds are to be issued is the Village Law and the Local Finance Law.

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

The fiscal year of the Village is August 1 through July 31.

The Village contains no other political subdivisions with the power to levy taxes.

Financial Statements

In certain years, when required, the Village has retained an independent certified public accountant firm for an independent audit of all financial transactions of the Village. The last such audit covers the period ending July 31, 2017 and is attached as "APPENDIX – D" to this Official Statement. The Village's unaudited Annual Financial Report Update Document ("AUD") for the fiscal year ending July 31, 2018 is in progress and is not completed as of the date of this Official Statement. The Village anticipates the audit for the fiscal year ending July 31, 2018 will be completed by March 2019. The financial affairs of the Village are also subject to periodic audit by the State Comptroller.

In addition, the State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the Village has complied with the requirements of various State and Federal statutes. These audits can be searched on the official website of the Office of the New York State Comptroller.

The Village maintains its financial records in accordance with the Uniform System of Accounts for Villages, as prescribed by the State Comptroller.

Beginning with the fiscal year ending July 31, 2005 the Village was required to issue its financial statements in accordance with GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as the Management's Discussion and Analysis. The Village has not adopted GASB Statement No. 34. The Village has a regulatory reporting requirement to the Office of the State Comptroller and does not need to report on a GAAP basis.

Unaudited Projected Results for Fiscal Year Ending July 31, 2018

The Village expects to end the fiscal year ending July 31, 2018 with a cumulative unassigned fund balance of $5,604,358.

Summary unaudited information for the General Fund for the period ending July 31, 2018 is as follows:

Revenues:	$	5,860,782
Expenditures:		4,717,426
Excess (Deficit) Revenues Over Expenditures:	$	1,143,356
Total Fund Balance at July 31, 2017:	$	5,293,856
Total Estimated Fund Balance at July 31, 2018:	$	6,437,212

Note: These projections are based upon certain current assumptions and estimates and the audited results may vary therefrom.

New York State Comptroller Report of Examination

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the Village has complied with the requirements of various State and Federal statutes. These audits can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

There are no recent State Comptroller's audits of the Village nor any that are currently in progress or pending release.

Note: Reference to website implies no warranty of accuracy of information therein.

The State Comptroller's Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State's school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller ("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 municipality's AUD 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 reports of the State Comptroller for the past five years for the Village are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2017	No Designation	0.0%
2016	Not Filed [1]	N/A
2015	No Designation	15.8%
2014	No Designation	15.8%
2013	No Designation	7.9%

[1] There is no applicable report of the State Comptroller for the Village for the Fiscal Year Ending in 2016. In order to receive FSMS scores, local governments must report their financial data to OSC. Municipalities and school districts are required by law to file their Annual Financial Report Update Documents within 120 days (about four months) of the end of their fiscal year. The FSMS scores reported also include data from late filers who filed within eight months after the end of the fiscal year. In some cases, financial data was filed but was not sufficiently complete to calculate FSMS scores. These filings are deemed "inconclusive" at the time of the FSMS score assignment. The Village failed to file its financial data in time to the State Comptroller to receive a fiscal stress score in the 2016 reporting year. In cases where a local government, such as the Village, did not file its financial data as of the specified snapshot date, that entity is classified as "Not Filed". Copies of certain Annual Financial Report Update Documents are also available by contacting the Village or Fiscal Advisors & Marketing, Inc. or by accessing the Electronic Municipal Market Access website: www.emma.msrb.org.

Note: Reference to website implies no warranty of accuracy of information therein.

Source: Website of the Office of the New York State Comptroller.

TAX INFORMATION

Taxable Assessed Valuations

Year of Assessment Roll:	2014	2015	2016	2017	2018
Year of Tax Roll:	2014-15	2015-16	2016-17	2017-18	2018-19
Assessed Valuation	$ 618,360,832	$ 617,662,533	$ 618,884,543	$ 627,797,732	$ 668,728,121
New York State Equalization Rate	100.00%	100.00%	100.00%	100.00%	100.00%
Total Taxable Full Valuation	$ 618,360,832	$ 617,662,533	$ 618,884,543	$ 627,797,732	$ 668,728,121
Full Valuation Including Tax Exempt Properties	$ 1,003,923,881	$ 1,017,389,327	$ 1,016,781,488	$ 1,028,330,703	$ 1,059,284,254

Tax Rate Per $1,000 (Assessed)

Year of Tax Roll:	2014-15	2015-16	2016-17	2017-18	2018-19
	$ 5.79	$ 5.70	$ 5.82	$ 5.82	$ 5.58

Tax Collection Procedure

Tax payments are due on August 1st each year and are payable without penalty for the first 30 days after taxes are due. A 5% penalty is added during the month of September, 6% for the month of October and 7% for the month of November. Approximately November 15, uncollected taxes are returned to the County for collection, who in turn makes the Village whole by April of the current fiscal year. There are no uncollected taxes at the end of the fiscal year.

Uncollected Taxes

Year of Tax Roll:	2014-15	2015-16	2016-17	2017-18	2018-19
Total Tax Levy	$ 3,579,620	$ 3,518,821	$ 3,604,902	$ 3,655,390	$ 3,728,498
Uncollected End of Year (1)	N/A	N/A	N/A	N/A	N/A
% Uncollected End of Year	N/A	N/A	N/A	N/A	N/A

(1) The Village Fiscal Year is from August 1st through July 31st. Village taxes are billed August 1st and payment is due August 31st. All uncollected taxes are returned to Essex County in November who then makes the Village whole by April of the current fiscal year.

Top 10 Taxpayers – 2018 for 2018-19 Tax Roll

Name	Type	Taxable Assessed Valuation
Lake Placid Vacation Corp.	Hotel	$ 20,233,200
AWH Lake Placid LLC	Hotel	18,445,300
Mirror Lake Inn LLC	Hotel	16,487,000
Placid Gold LLC	Hotel	12,489,800
Golden Arrow	Hotel	8,779,700
Hotel at Mirror Lake LLC	Hotel	8,657,900
GBD Lake Placid Hotel LLC	Hotel	7,008,500
Ger Am Properties Inc.	Hotel	6,712,300
Lake Placid Inka LLC	Hotel	6,200,000
Taylor, J.E.	Residential Waterfront	5,000,000
	Total	$ 110,013,700

The ten top taxpayers, listed above, have a total assessed valuation of $110,013,700, which represents 16.45% of the Village's taxable assessed valuation tax base of $668,728,121 for the 2018-19 fiscal year.

As of the date of this Official Statement, the Village does not currently have any pending or outstanding tax certioraris that are known or believed to have a material impact on the Village. Any tax certioraris matters are handled directly by the Town of North Elba as the assessing authority. Due to the recent Town wide reassessment, the Town Assessor has indicated that any filed claims are related to challenges to the reassessment and *do not* involve multi-year fillings.

Source: Essex County Tax Rolls.

Constitutional Tax Margin

Computation of Constitutional Tax Margin for Fiscal Years Ending July 31, as reflected in NYS Comptroller's Office Filing, which is required ten (10) days prior to Adoption of Budget: Please note that the Comptroller's report file is based on the PRIOR year numbers, not the current information for determining the tax rate or assessed value. This is due to the Village Fiscal Year ending July 31, which is also when the next year's assessment rolls are finalized. The numbers reported reflect as per the required filing with the NYS Comptroller.

Fiscal Year Ending:	2017	2018	2019
Five Year Average Full Valuation………....….	$ 609,917,361	$ 611,048,978	$ 616,678,503
Tax Limit - (2%)…………………………………..	12,198,347	12,220,980	12,333,570
Add: Exclusions From Tax Limit……………….	1,685,874	1,017,307	1,410,102
Total Taxing Power……………....……………….	$ 13,884,221	$ 13,238,287	$ 13,743,672
Less: Total Levy……………..........................	3,604,902	3,655,390	3,728,498
Constitutional Tax Margin………....………….....	$ 10,279,319	$ 9,582,897	$ 10,015,174

Real Property Tax Revenues

The following table illustrates the percentage of total revenues of the Village for each of the below completed fiscal years and budgeted figures comprised of real property taxes.

Fiscal Year	Total Revenues [1]	Total Real Property Taxes	Percentage of Total Revenues Consisting of Real Property Taxes
2012-2013	$ 5,392,453	$ 3,442,397	63.84%
2013-2014	5,490,605	3,524,155	64.19
2014-2015	5,454,250	3,579,623	65.63
2015-2016	5,552,190	3,508,211	63.19
2016-2017	5,661,656	3,602,677	63.63
2017-2018 (Unaudited)	5,860,782	3,652,494	62.32
2018-2019 (Budgeted)	5,887,657	3,728,498	63.33

(1) General Fund only. Does not include interfund transfers or appropriated fund balance.

Source: Audited financial statements for the fiscal years 2012-2013 through and including the 2016-2017 fiscal years of the Village, the unaudited results for the fiscal year ending 2017-2018, and the adopted budgets for the 2018-2019 fiscal year. This table is not audited. Unaudited figures are preliminary and subject to change.

Sales Tax Revenues

The following table illustrates the percentage of total revenues of the Village for each of the below completed fiscal years and budgeted figures comprised of sales tax revenues.

Fiscal Year	Total Revenues [1]	Total Sales Tax Revenues	Percentage of Total Revenues Consisting of Sales Tax Revenues
2012-2013	$ 5,392,453	$ 184,042	3.41%
2013-2014	5,490,605	190,113	3.46
2014-2015	5,454,250	211,511	3.88
2015-2016	5,552,190	129,366	2.33
2016-2017	5,661,656	133,152	2.35
2017-2018 (Unaudited)	5,860,782	138,397	2.36
2018-2019 (Budgeted)	5,887,657	137,500	2.34

(1) General Fund only. Does not include interfund transfers or appropriated fund balance.

Note: The calculation from which the Village receives sales tax from the County was created through enacted legislation and modifications would require new legislation to be enacted by the County Board of Supervisors.

Source: Audited financial statements for the fiscal years 2012-2013 through and including the 2016-2017 fiscal years of the Village, the unaudited results for the fiscal year ending 2017-2018, and the adopted budgets for the 2018-2019 fiscal year. This table is not audited. Unaudited figures are preliminary and subject to change.

Additional Tax Information

Real property in the Village is assessed by the Town of North Elba. The Town Assessor retains the right to change assessments.

Veterans, Senior Citizen, Business and Agricultural exemptions are offered to those who qualify within the Village.

The assessment roll of the Village consists of approximately 23.4% commercial, 37.1% residential, and 39.5% non-taxable property. A majority of the non-taxable property is related to large municipal employers such as the NYS Olympic Regional Development Authority, the Town of North Elba, Lake Placid Central School District and the Village. The tax-exempt property is primarily represented by the Olympic venues owned by the Town of North Elba (72.5%) and operated by the Olympic Regional Development Authority. Although considered a tax-exempt entity, it is the largest employer in the region. The Village and the

Lake Placid Central School District comprise 11.9% and 8.2% of the tax-exempt properties, respectively, and are identified herein as larger employers. All three contribute significantly to the local economy. Only 7.4% of tax-exempt property is attributed to religious, veteran or senior citizen groups.

The total property tax bill of a typical residence in the Village with a market value of $300,000 is estimated to be $3,461 including County, Town and School taxes.

TAX LEVY LIMITATION LAW

On June 24, 2011, Chapter 97 of the 2011 Laws of New York was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo). It also applies to independent special districts and to 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 15, 2020 unless 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 (60%) vote of the total voting strength of such body, a local law (or resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System and the Teachers' Retirement System. 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 each fiscal year budget, must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

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

While the Tax Levy Limitation Law may constrict an issuer's power to levy real property taxes for the payment of debt service on debt contracted after the effective date of the Tax Levy Limitation Law, it is clear that no statute is able (a) to limit an issuer's pledge of its faith and credit to the payment of any of its general obligation indebtedness or (b) 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.

*Real Property Tax Rebate***.** Chapter 59 of the 2014 Laws of New York ("Chapter 59") includes provisions which provide a refundable personal income tax credit to real property taxpayers in school districts and certain municipal units of government. Real property owners in school districts are eligible for the tax credit in the 2014 and 2015 taxable years of those such property owners. Real property taxpayers in certain other municipal units of government are eligible for the tax credit in the 2015 and 2016 taxable years of those real property taxpayers. The eligibility of real property taxpayers for the tax credit in each year depends on such jurisdiction's compliance with the provisions of the Tax Levy Limitation Law. The affected jurisdictions include counties, cities (other than a city with a population of one million or more and its counties), towns, villages, school districts (other than the dependent school districts of New York City, Buffalo, Rochester, Syracuse and Yonkers, the latter four of which are indirectly affected by applicability to their respective city) and independent special districts.

Certain additional restrictions on the amount of the tax credit are set forth in Chapter 59 in order for the tax cap to qualify as one which will provide the tax credit benefit to such real property taxpayers. The tax credit amount is increased in the second year if compliance occurs in both taxable years.

For the second taxable year of the program, the tax credit for real property taxpayers is additionally contingent upon adoption by the school district or municipal unit of government of a state approved "government efficiency plan" which demonstrates "three year savings and efficiencies of at least one per cent per year from shared services, cooperation agreements and/or mergers or efficiencies".

Municipalities and school districts must provide certification of compliance with the requirements of the new provisions to certain state officials in order to render their real property taxpayers eligible for the tax credit.

While the provisions of Chapter 59 do not directly further restrict the taxing power of the affected school districts and municipal units of government, they do provide an incentive for such tax levies to remain within the tax cap limits established by the Tax Levy Limitation Law. The implications of this for future tax levies and for operations and services of the Village are uncertain at this time.

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

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

The Village may contract indebtedness only for a Village 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; no installment may be more than fifty per centum in excess of the smallest prior installment, unless the Village Board of Trustees authorizes the issuance of bonds with substantially level or declining annual debt service. The Village is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

Debt Limit. The Village has the power to contract indebtedness for any Village purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven per centum of the average full valuation of taxable real estate of the Village and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

Statutory Procedure

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

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

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

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

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

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

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

Except on rare occasions the Village complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

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

The Village Board of Trustees, as the finance board of the Village, has the power to enact bond resolutions. In addition, such finance board has the power to authorize the sale and issuance of obligations. However, such finance board may, and generally does, delegate the power to sell the obligations to the Village Treasurer, as chief fiscal officer of the Village, pursuant to the Local Finance Law.

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

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

Debt Outstanding End of Fiscal Year

Fiscal Years Ending July 31:	2014	2015	2016	2017	2018
Bonds	$ 16,281,079	$ 17,909,138	$ 17,312,595	$ 18,896,535	$ 18,898,840
Bond Anticipation Notes	1,506,472	1,062,072	1,491,123	794,000	0
Totals	$ 17,787,551	$ 18,971,210	$ 18,623,718	$ 19,690,535	$ 18,898,840

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the Village evidenced by bonds and notes as of January 31, 2019

Type of Indebtedness	Maturity		Amount
Bonds	2019-2045		$ 18,914,780 (1)
Bond Anticipation Notes			
Acquisition of Land for Construction of a Proposed Parking Structure	October 31, 2019		$ 990,000 (2)
		Total Indebtedness	$ 19,904,780

(1) On November 17, 2016, the Village issued $4,245,000 refunding serial bonds to realize net present value and budgetary savings. As of January 31, 2019, an advance refunded portion of the 2012 Series bonds in the amount of $675,000 remains outstanding, and is included in the total above. These refunded bonds will be fully redeemed as of their first call date on May 15, 2019. Debt service on the 2012 Series bonds is being paid from a fully funded escrow account, and while not legally defeased, these bonds are considered economically defeased.

(2) To be redeemed at maturity with proceeds of future bond anticipation notes or serial bonds.

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Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of January 31, 2019:

Five-Year Average Full Valuation of Taxable Real Property			$ 1,025,141,931
Debt Limit - 7% thereof			71,759,935
<u>Inclusions</u>:			
Bonds	$ 18,239,780		
Advance Refunded Bonds	675,000		
Bond Anticipation Notes	990,000		
Total Inclusions		$ 19,904,780	
<u>Exclusions</u>:			
Appropriations (1)	$ 292,100		
Sewer Debt (2)	9,830,000		
Water Debt (3)	1,689,780		
Cash on Hand for Refunded Bonds (4)	675,000		
Total Exclusions		$ 12,486,880	
Total Net Indebtedness Subject to Debt Limit			$ 7,417,900
Net Debt-Contracting Margin			64,342,035
Percent of Debt Contracting Power Exhausted			10.34%

(1) Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.
(2) Sewer Debt is excluded pursuant to Section 124.10 of the Local Finance Law. The Village has been granted sewer debt exclusions on March 5, 2003 and February 7, 2017 by the New York State Office of the State Comptroller.
(3) Water Debt is excluded pursuant to Article VIII, Section 5B of the New York State Constitution.
(4) Escrow for defeasement of the 2012 Series bonds of the Village. The 2012 Series bonds will be fully redeemed as of their call date on May 15, 2019.

Note: The proceeds of the Bonds will increase the net indebtedness of the Village by $2,400,000.

Bonded Debt Service

A schedule of Bonded Debt Service, including the principal of the Bonds, may be found attached as "APPENDIX – B" to this Official Statement.

Cash Flow Borrowings

The Village has not found it necessary to issue revenue anticipation notes or tax anticipation notes in the past and does not anticipate issuing any such notes in the foreseeable future.

Equipment Obligations – Electric Fund

The Electric Fund financed certain equipment with long-term notes payable to the New York Power Authority ("NYPA").

In December 2009, the Village took out a NYPA Mortgage Loan in the amount of $5,333,226 at a rate of 4.5% to mature on January 1, 2030. Terms of this note include monthly payments of principal and interest in the amount of $33,740. In March 2016, the Village refinanced the note at 3.5% to mature on May 1, 2028. Terms of the new note include monthly payments of principal and interest in the amount of $35,173. The refinancing saved $468,568. The balance of this note payable as of January 8, 2019 is $3,394,055.

Other Obligations

On August 25, 2004, the Village entered into a lease agreement in the amount of $227,728 with Oshkosh Capital to finance the purchase of a fire tanker truck. The lease payment amount is $22,672 due annually on August 30. The remaining amount due on the lease, which terminates on August 30, 2019, is $22,672. The Village does not anticipate entering into any other lease financings in the foreseeable future.

Capital Project Plans

The Village has the following authorized indebtedness: $8,100,000 to finance certain improvements to its sewer system; and $4,500,000 to finance certain improvements to its water system. Both the sewer system improvements and the water system improvements are being financed through the New York State Environmental Facilities Corporation ("EFC"). The Village issued its $4,446,928 maximum principal amount E.F.C. Clean Water Facility Note – 2018 A (Bond Anticipation Note) to EFC on January 25, 2018 and its $1,800,000 maximum principal sum E.F.C. Drinking Water Facility Note – 2018 (Bond Anticipation Note) to EFC on November 8, 2018. The Clean Water Facility Note matures on January 25, 2023. The Drinking Water Facility Note matures on November 8, 2023. The proceeds of both short-term financings will be advanced by EFC to the Village once project costs are incurred and the Village requests advances of such proceeds. The Village anticipates making such requests for advances commencing in 2019 and converting both short-term financings to long-term financings through EFC prior to the scheduled short-term maturity dates.

The Village anticipates the construction within the next three years of a parking structure to be centrally located on Main Street in the Village. The Village Board of Trustees voted approximately two years ago to increase parking rates to fund a newly established parking reserve fund. As of December 31, 2018, the parking reserve fund had a balance of approximately $505,000. The Village plans to finance most of the costs of this project through the issuance of debt. No engineering, cost estimates or budgets have yet been developed as the Village is in preliminary discussions. It is expected that the parking reserve fund will continue to grow at a rate of approximately $180,000 per year.

Authorized But Unissued Debt

In addition to the authorized indebtedness for certain sewer system and water system improvements described under the heading "Capital Project Plans" above, the Village has the following authorized but unissued indebtedness: $995,000 to finance planning for the construction of a parking structure to be centrally located on Main Street in the Village (also described under the heading "Capital Project Plans" above). The Village has no other authorized and unissued indebtedness for capital or other purposes.

Estimated Overlapping Indebtedness

In addition to the Village, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the Village. The estimated net outstanding indebtedness of such political subdivisions is as follows:

Municipality	Status of Debt as of	Gross Indebtedness (1)	Estimated Exclusions	Net Indebtedness	Village Share	Net Overlapping Indebtedness
County of:						
Essex	12/31/2016	$ 39,920,000	$ - (2)	$ 39,920,000	9.16%	$ 3,658,403
Town of:						
North Elba	12/31/2016	1,695,805	85,605 (2)	1,610,200	29.10%	468,598
School District:						
Lake Placid	6/30/2017	3,312,332	990,387 (3)	2,321,945	30.17%	700,531
					Total:	$ 4,827,532

(1) Bonds and bond anticipation notes not adjusted to include subsequent bond or note sales, if any.
(2) Water and sewer debt and appropriations. Pursuant to the Local Finance Law, this indebtedness is excluded from the constitutional debt limit.

Note: The 2017 Comptroller's Special Report is currently unavailable as of the date of this Official Statement.

Source: 2016 Comptroller's Special Report on Municipal Affairs for Local Finance.

Debt Ratios

The following table sets forth certain ratios relating to the Village's net indebtedness as of January 31, 2019:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 7,417,900	$ 3,072.87	1.11%
Net Indebtedness Plus Net Overlapping Indebtedness [d]	12,245,432	5,072.67	1.83

(a) The 2017 estimated population of the Village is 2,414. (See "THE VILLAGE – Population Trends" herein.)
(b) The Village's 2019 full value of taxable real estate is $668,728,121. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)
(c) See calculation of "Debt Statement Summary" herein.
(d) Estimated net overlapping indebtedness is $4,827,532. (See "Estimated Overlapping Indebtedness" herein.)

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the Village upon any judgment or accrued claim against it shall not exceed nine per centum per annum. This provision might be construed to have application to the holders of the Bonds in the event of a default in the payment of the principal of or interest on the Bonds.

In accordance with the general rule with respect to municipalities, judgments against the Village may not be enforced by levy and execution against property owned by the Village.

The Federal Bankruptcy Code allows public bodies 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 to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

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 such obligations.

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature 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 Village.

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."

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

MARKET AND RISK FACTORS

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

The Village has historically received small amounts of Aid and Incentives for Municipalities ("AIM") and Consolidated Local Street and Highway Improvement Program ("CHIPS") aid from New York State. These categories of State Aid have remained at the same level since 2008. Based on unaudited results for the fiscal year ending July 31, 2018, State Aid received accounts for only 2.8% of the Village's total General Fund revenue.

In the 2018-2019 State Enacted Budget, the amount of AIM allocated to the Village was $32,834. In the 2019-2020 State Proposed Budget, the Village's AIM has been eliminated. Due to the Village's small amount of State Aid and its healthy cash flow, the Village would not be adversely impacted by the elimination of AIM or by a delay in the State adopting its budget on time. Because the Village's budget starts much later in the year compared to New York State, the Village has not experienced any delays in State Aid payments.

Cybersecurity

The Village, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. The Village is proactive in regard to cybersecurity and has invested $100,000 in system improvements over the last 12 months to safeguard data and operations. The Village has partnered with Essex County and a qualified technology vendor to create state of the art systems to improve performance and security at all Village locations.

There can be no assurances that any security and operational control measures implemented by the Village will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant.

TAX MATTERS

In the opinion of Walsh & Walsh, LLP, Saratoga Springs, New York, Bond Counsel, under existing law, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the individual alternative minimum tax imposed by the Internal Revenue Code of 1986, as amended (the "Code").

The opinion described above is subject to the condition that the Village comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Included among these continuing requirements are certain restrictions on the investment and use of proceeds of the Bonds and certain requirements to rebate arbitrage earnings from the investment of proceeds of the Bonds to the federal government. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance, regardless of when such noncompliance occurs. The Village will covenant in its arbitrage and use of proceeds certificate with respect to the Bonds to comply with certain procedures and guidelines designed to assure satisfaction of the continuing requirements of the Code.

Bond Counsel is further of the opinion that, under existing law, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

The Bonds are being designated by the Village as "qualified tax-exempt obligations" pursuant to the provisions of Section 265(b)(3) of the Code. The Village will represent in its arbitrage and use of proceeds certificate that (1) the Village does not reasonably anticipate that the amount of tax-exempt obligations (within the meaning of Section 265(b)(3)(C) of the Code) to be issued by the Village (and any subordinate entities) in calendar year 2019 will exceed $10,000,000, and (2) the amount of "qualified tax-exempt obligations" issued by the Village (and any subordinate entities) during the current calendar year does not as of this date, and including this issue, exceed $10,000,000.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect an owner's federal, state or local tax liability. Prospective purchasers of the Bonds should consult their own tax advisors as to any other tax consequences resulting from their ownership or disposition of, or the accrual or receipt of interest on, the Bonds. Bond Counsel expresses no opinion regarding any such consequences.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance of the Bonds may affect the tax status of interest on the Bonds or the tax consequences of the ownership of the Bonds. There can be no assurance that legislation proposed or enacted, clarifications of the Code or court decisions after the date of issuance of the Bonds will not have an adverse effect on the tax-exempt status or market price of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds will be covered by the final approving opinion of Walsh & Walsh, LLP, Saratoga Springs, New York, Bond Counsel. Copies of such opinion will be available at the time of delivery of the Bonds. Such legal opinion will state that, under existing law, (1) the Bonds have been duly 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 Village, for the payment of which the Village has validly pledged its faith and credit, and all the taxable real property within the boundaries of the Village is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, without limitation as to the rate or amount, subject to statutory limitations which may be imposed by Chapter 97 of the 2011 Laws of New York, and (2) interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the individual alternative minimum tax imposed by the Internal Revenue Code of 1986, as amended (the "Code"), subject to the condition that the Village comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Such opinion shall also contain further statements to the effect that (a) the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws affecting creditors' rights generally enacted before or after the date of such opinion, and by equitable principles, whether considered at law or in equity, (b) the scope of its engagement as Bond Counsel in relation to the issuance of the Bonds has extended solely to rendering the opinions described herein, and such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Village, together with other legally available sources of revenue, if any, will be sufficient to enable the Village to pay the principal of or interest on the Bonds as the same respectively become due and payable, and (c) while Bond Counsel has participated in the preparation of this Official Statement, Bond Counsel has not verified the accuracy, completeness or fairness of the factual information contained herein, and, accordingly, Bond Counsel expresses no opinion as to whether the Village, in connection with the sale of the Bonds, 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.

LITIGATION

The Village is subject to a number of lawsuits in the ordinary conduct of its affairs. The Village does not believe, however, that such suits, individually or in the aggregate, are likely to have a material adverse effect on the financial condition of the Village.

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

CONTINUING DISCLOSURE

In order to assist the purchaser in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the Village will enter into an undertaking to provide continuing disclosure, a description of which can be found attached as "APPENDIX – C" to this Official Statement.

Historical Compliance

Except as noted below, the Village is in compliance in all material respects within the last five years with all previous undertakings made pursuant to Rule 15c2-12.

The Village failed to file its Annual Financial Information and Operating Data ("AFIOD") for the fiscal year ended July 31, 2015 within six months of the end of the fiscal year as required. The Annual Financial Information and Operating Data was filed March 7, 2016. A failure to file notice was filed to EMMA on October 12, 2016 with respect to the late filing of the 2015 AFIOD.

An other event-based disclosure notice relating to the status of the 2018 Unaudited Annual Financial Report Update Document and Audited Financial Statements was filed to EMMA on January 31, 2019.

MUNICIPAL ADVISOR

Fiscal Advisors & Marketing, Inc. (the "Municipal Advisor") is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the Village on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Bonds. The advice on the plan of financing and the structuring of the Bonds was based on materials provided by the Village and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Village or the information set forth in this Official Statement or any other information available to the Village with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the Village to the Municipal Advisor are partially contingent on the successful closing of the Bonds.

CUSIP IDENTIFICATION NUMBERS

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds will be paid for by the Village, provided, however, the Village assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

BOND RATING

Moody's Investors Service (“Moody's”) has assigned its rating of “Aa3” to the Bonds. A rating reflects only the view of the rating agency assigning such rating and any desired explanation of the significance of such rating should be obtained from Moody's, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, Phone: (212) 553-0038, Fax: (212) 553-1390.

Generally, rating agencies base their ratings on the information and materials furnished to them and on investigations, studies and assumptions by the respective rating agency. There is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant. Any downward revision or withdrawal of the rating of the Bonds may have an adverse effect on the market price of the Bonds.

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates in good faith, no assurance can be given that the facts will materialize as so opined or estimated. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders of the Bonds.

Statements in this Official Statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the Village management’s beliefs as well as assumptions made by, and information currently available to, the Village’s management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the Village files with the repositories. When used in Village documents or oral presentation, the words “anticipate”, “estimate”, “expect”, “objective”, “projection”, “forecast”, “goal”, or similar words are intended to identify forward-looking statements.

Walsh & Walsh, LLP, Saratoga Springs, New York, Bond Counsel, expresses no opinions as to the accuracy or completeness of information in any documents prepared by or on behalf of the Village for use in connection with the offer and sale of the Bonds, including, but not limited to, this Official Statement.

References herein to the Constitution of the State and various State and federal laws are only brief outlines of certain provisions thereof and do not purport to summarize or describe all of such provisions.

Concurrently with the delivery of the Bonds, the Village will furnish a certificate to the effect that as of the date of this Official Statement, this Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to a limitation as to information in this Official Statement obtained from sources other than the Village.

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

The Municipal Advisor may place a copy of this Official Statement on its website at www.fiscaladvisors.com. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. The Municipal Advisor 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 Village nor the Municipal Advisor assumes any liability or responsibility for errors or omissions on such website. Further, the Municipal Advisor and the Village 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. The Municipal Advisor and the Village also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

The Village's contact information is as follows: Mr. Paul J. Ellis, CMFO, Village Treasurer/CFO, Village of Lake Placid, 2693 Main Street #102, Lake Placid, New York 12946-1517, telephone (518) 523-2597, fax (518) 523-1362, email Treasurer@villageoflakeplacid.ny.gov.

VILLAGE OF LAKE PLACID

Dated: January 31, 2019

PAUL J. ELLIS
Village Treasurer/CFO

GENERAL FUND
Balance Sheets

Fiscal Years Ending July 31:	2013 (unaudited)	2014	2015	2016	2017
ASSETS					
Unrestricted Cash	$ 3,273,108	$ 1,965,483	$ 1,736,462	$ 3,068,193	$ 4,846,672
Restricted Cash and Cash Equivalents	414,181	459,620	460,352	617,533	830,405
Accounts Receivable	-	-	-	-	476
Due from Other Governments	314,064	290,859	189,695	268,324	175,102
Due From Other Funds	339,179	2,256,377	2,151,594	1,152,549	673,969
TOTAL ASSETS	$ 4,340,532	$ 4,972,339	$ 4,538,103	$ 5,106,599	$ 6,526,624
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 912,820	$ 1,184,867	$ 601,124	$ 517,598	$ 713,007
Accrued Liabilities	(343)	295	110	-	-
Due to Other Funds	-	135,415	-	70,000	375,814
Due to Fiduciary Fund	-	-	-	-	143,947
Due to Other Governments	-	-	-	-	-
Due to Employees' Retirement System	-	-	-	-	-
Deferred Revenues	-	-	-	-	-
Overpayments and Collections in Advance	-	-	-	-	-
TOTAL LIABILITIES	$ 912,477	$ 1,320,577	$ 601,234	$ 587,598	$ 1,232,768
FUND EQUITY					
Restricted	$ -	$ 459,620	$ 460,352	$ 617,533	$ 830,405
Assigned	-	-	-	-	-
Unassigned	3,428,055	3,192,142	3,476,517	3,901,468	4,463,451
TOTAL FUND EQUITY	$ 3,428,055	$ 3,651,762	$ 3,936,869	$ 4,519,001	$ 5,293,856
TOTAL LIABILITIES and FUND EQUITY	$ 4,340,532	$ 4,972,339	$ 4,538,103	$ 5,106,599	$ 6,526,624

Source: 2013 Annual Update Document (unaudited) and the 2014 through 2017 Audited Financial Reports of the Village.
Note: This Appendix is not itself audited.

GENERAL FUND
Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending July 31:	**2012** (unaudited)	**2013** (unaudited)	**2014**	**2015**	**2016**
REVENUES					
Real Property Taxes	$ 3,332,743	$ 3,442,397	$ 3,524,155	$ 3,579,623	$ 3,508,211
Real Property Tax Items	24,734	24,797	29,871	29,257	13,270
Non-Property Tax Items	181,053	184,042	190,113	211,511	137,465
Departmental Income	377,100	369,076	391,710	407,600	540,970
Intergovernmental Charges	661,046	739,286	696,710	666,247	677,654
Use of Money & Property	6,456	5,657	6,968	5,547	4,927
Licenses and Permits	478	90	843	1,361	400
Fines and Forfeitures	111,884	110,348	138,058	121,447	93,718
Sale of Property and Compensation for Loss	20,887	5,016	29,697	-	256,678
Miscellaneous	37,942	7,404	197,408	51,849	14,505
Interfund Revenues	72,090	-	-	-	-
Revenues from Federal Sources	114,374	458,020	260,876	-	38,071
Revenues from State Sources	342,602	46,320	24,196	379,808	266,321
Total Revenues	$ 5,283,389	$ 5,392,453	$ 5,490,605	$ 5,454,250	$ 5,552,190
EXPENDITURES					
General Government Support	$ 141,836	$ 185,858	$ 159,723	$ 383,723	$ 370,307
Public Safety	1,754,116	1,785,256	1,649,511	1,780,143	2,077,098
Transportation	1,149,247	1,468,109	1,276,087	1,418,302	1,518,186
Economic Assistance	10,000	10,612	10,625	11,997	6,064
Culture and Recreation	287,812	48,588	497,806	64,138	190,728
Home and Community Services	226,875	214,131	228,343	72,837	59,609
Employee Benefits	1,243,072	1,206,033	1,371,892	1,253,120	1,269,244
Debt Service	517,153	568,751	525,565	484,773	536,427
Total Expenditures	$ 5,330,111	$ 5,487,338	$ 5,719,552	$ 5,469,033	$ 6,027,663
Excess of Revenues Over (Under) Expenditures	(46,722)	(94,885)	(228,947)	(14,783)	(475,473)
Other Financing Sources (Uses):					
Operating Transfers In	398,656	401,333	450,936	300,000	1,057,605
Transfers Out/Ret System Credits	(8,639)	-	-	-	-
Total Other Financing	$ 390,017	$ 401,333	$ 450,936	$ 300,000	$ 1,057,605
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	343,295	306,448	221,989	285,217	582,132
FUND BALANCE					
Fund Balance - Beginning of Year	2,779,272	3,119,478	3,428,055	3,651,762	3,936,869
Prior Period Adjustments (net)	(3,089)	2,129	1,718	-	-
Fund Balance - End of Year	$ 3,119,478	$ 3,428,055	$ 3,651,762	$ 3,936,979	$ 4,519,001

Source: 2012 and 2013 Annual Update Documents (unaudited) and 2014 through 2016 Audited Financial Reports of the Village.
Note: This Appendix is not itself audited.

GENERAL FUND
Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Fiscal Years Ending July 31:	**2017** Adopted Budget	**2017** Actual	**2018** Adopted Budget	**2018** Unaudited	**2019** Adopted Budget
REVENUES					
Real Property Taxes	$ 3,604,902	$ 3,602,677	$ 3,655,390	$ 3,652,494	$ 3,728,498
Real Property Tax Items	15,000	23,809	15,000	23,345	15,000
Non-Property Tax Items	98,000	139,646	68,000	212,565	204,500
Departmental Income	513,400	660,249	673,300	612,509	544,550
Intergovernmental Charges	650,000	678,309	650,000	624,844	640,000
Use of Money & Property	4,000	6,351	4,000	11,159	30,000
Licenses and Permits	200	275	250	275	275
Fines and Forfeitures	100,000	112,911	100,000	99,979	110,000
Sale of Property and Compensation for Loss	-	35,298	7,500	56,665	8,500
Miscellaneous	-	23,132	-	39,927	-
Interfund Revenues	350,000	-	350,000	347,183	403,500
Revenues from Federal Sources	-	-	-	12,617	-
Revenues from State Sources	307,864	378,999	145,524	167,220	202,834
Total Revenues	$ 5,643,366	$ 5,661,656	$ 5,668,964	$ 5,860,782	$ 5,887,657
EXPENDITURES					
General Government Support	$ 440,172	$ 331,352	$ 391,241	$ 289,932	$ 436,609
Public Safety	2,654,522	1,731,529	2,835,758	2,515,143	2,845,233
Transportation	1,667,410	1,228,174	1,515,900	991,529	1,711,000
Economic Assistance	56,500	42,864	64,500	11,541	94,500
Culture and Recreation	59,650	157,308	83,400	55,160	68,250
Home and Community Services	92,700	149,047	104,300	89,882	135,300
Employee Benefits	500,232	1,088,864	581,600	504,586	572,500
Debt Service	425,332	333,596	362,179	259,653	424,265
Total Expenditures	$ 5,896,518	$ 5,062,734	$ 5,938,878	$ 4,717,426	$ 6,287,657
Excess of Revenues Over (Under) Expenditures	(253,152)	598,922	(269,914)	1,143,356	(400,000)
Other Financing Sources (Uses):					
Operating Transfers In	-	372,597	-	-	-
Transfers Out/Ret System Credits	-	(196,664)	-	-	-
Total Other Financing	$ -	$ 175,933	$ -	$ -	$ -
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(253,152)	774,855	(269,914)	1,143,356	(400,000)
FUND BALANCE					
Fund Balance - Beginning of Year	253,152	4,519,001	269,914	5,293,856	400,000
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ -	$ 5,293,856	$ -	$ 6,437,212	$ -

Source: 2017 Audited Financial Report, 2018 unaudited financial statements and adopted budgets (unaudited) of the Village.
This Appendix is not itself audited.

CHANGES IN FUND EQUITY

Fiscal Years Ending July 31:	**2013** (unaudited)	**2014**	**2015**	**2016**	**2017**
ENTERPRISE UTILITY					
Fund Equity - Beginning of Year	$ 14,496,478	$ 15,205,551	$ 15,991,886	$ 15,976,783	$ 16,397,671
Prior Period Adjustments (net)	373,649	139,673	(209,853)	-	-
Revenues & Other Sources	8,711,839	10,575,430	9,596,553	7,853,174	8,273,244
Expenditures & Other Uses	8,376,415	9,928,768	9,401,803	7,432,286	8,176,988
Fund Equity - End of Year	$ 15,205,551	$ 15,991,886	$ 15,976,783	$ 16,397,671	$ 16,493,927
WATER FUND					
Fund Equity - Beginning of Year	$ 895,988	$ 978,378	$ 1,030,471	$ 1,167,479	$ 830,163
Prior Period Adjustments (net)	12	-	-	-	-
Revenues & Other Sources	1,498,279	1,470,350	1,831,069	1,458,229	1,584,936
Expenditures & Other Uses	1,415,909	1,418,257	1,694,061	1,795,545	1,363,902
Fund Equity - End of Year	$ 978,370	$ 1,030,471	$ 1,167,479	$ 830,163	$ 1,051,197
SEWER FUND					
Fund Equity - Beginning of Year	$ 1,445,211	$ 1,401,737	$ 1,081,894	$ 1,287,415	$ 1,408,846
Prior Period Adjustments (net)	3	-	-	-	-
Revenues & Other Sources	2,505,916	2,199,317	2,394,033	2,460,907	2,599,192
Expenditures & Other Uses	2,549,394	2,519,160	2,188,512	2,339,476	2,369,391
Fund Equity - End of Year	$ 1,401,736	$ 1,081,894	$ 1,287,415	$ 1,408,846	$ 1,638,647

Source: Annual Update Documents (unaudited) and Audited Financial Reports of the Village.
Note: This Appendix is not itself audited.

BONDED DEBT SERVICE

Fiscal Year Ending July 31st	Principal	Interest [1]	Total	Principal of the Bonds to be Issued	Total Principal All Bonds
2019	$ 1,313,060	$ 405,300	$ 1,718,360	$ -	$ 1,313,060
2020	1,347,060	377,887	1,724,947	85,000	1,432,060
2021	1,124,060	346,939	1,470,999	90,000	1,214,060
2022	1,154,060	325,478	1,479,538	90,000	1,244,060
2023	1,174,060	303,164	1,477,224	95,000	1,269,060
2024	1,194,060	280,088	1,474,148	100,000	1,294,060
2025	1,214,060	256,420	1,470,480	100,000	1,314,060
2026	1,079,060	232,208	1,311,268	105,000	1,184,060
2027	1,104,060	209,666	1,313,726	110,000	1,214,060
2028	1,129,060	183,600	1,312,660	110,000	1,239,060
2029	864,060	159,120	1,023,180	115,000	979,060
2030	884,060	137,470	1,021,530	120,000	1,004,060
2031	894,060	116,633	1,010,693	125,000	1,019,060
2032	909,060	95,465	1,004,525	130,000	1,039,060
2033	850,000	73,318	923,318	130,000	980,000
2034	840,000	54,006	894,006	135,000	975,000
2035	590,000	33,524	623,524	140,000	730,000
2036	110,000	26,007	136,007	145,000	255,000
2037	115,000	23,725	138,725	155,000	270,000
2038	115,000	21,339	136,339	155,000	270,000
2039	120,000	18,953	138,953	165,000	285,000
2040	120,000	16,464	136,464	-	120,000
2041	125,000	13,974	138,974	-	125,000
2042	130,000	11,308	141,308	-	130,000
2043	130,000	8,534	138,534	-	130,000
2044	135,000	5,760	140,760	-	135,000
2045	135,000	2,880	137,880	-	135,000
Total	$ 18,898,840	$ 3,739,230	$ 22,638,070	$ 2,400,000	$ 21,298,840

[1] Does not include annual fee through the Environmental Facilities Corporation.

Note: On November 17, 2016, the Village issued $4,245,000 refunding serial bonds to realize net present value and budgetary savings. The bonds advance refunded $3,575,000 outstanding principal of the Village's 2008 Series bonds and $675,000 outstanding principal of the Village's 2012 Series bonds. As of January 31, 2019, an advance refunded portion of the refunded bonds in the amount of $675,000 remains outstanding, and is not included in the totals above. These refunded bonds will be fully redeemed as of their first call date on May 15, 2019. Debt service on the refunded bonds is being paid from a fully funded escrow account, and while not legally defeased, these bonds are considered economically defeased.

CURRENT BONDS OUTSTANDING

Fiscal Year Ending July 31st	1999 EFC Water Filtration - WATER			2002 EFC Water Filtration - WATER			2003 EFC Sewer Infrastructure - SEWER			2005 EFC Wastewater Treatment Plant - SEWER		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2019	$ 234,000	$ 7,080	$ 241,080	$ 19,060	$ -	19,060	$ 25,000	$ 6,572	$ 31,572	$ 395,000	$ 151,115	$ 546,115
2020	238,000	3,570	241,570	19,060	-	19,060	25,000	6,099	31,099	400,000	143,745	543,745
2021	-	-	-	19,060	-	19,060	25,000	5,637	30,637	400,000	136,169	536,169
2022	-	-	-	19,060	-	19,060	25,000	5,099	30,099	405,000	128,364	533,364
2023	-	-	-	19,060	-	19,060	25,000	4,609	29,609	410,000	120,299	530,299
2024	-	-	-	19,060	-	19,060	25,000	4,035	29,035	420,000	111,919	531,919
2025	-	-	-	19,060	-	19,060	25,000	3,542	28,542	425,000	103,240	528,240
2026	-	-	-	19,060	-	19,060	25,000	2,995	27,995	430,000	94,331	524,331
2027	-	-	-	19,060	-	19,060	25,000	2,481	27,481	435,000	85,209	520,209
2028	-	-	-	19,060	-	19,060	25,000	1,947	26,947	440,000	75,895	515,895
2029	-	-	-	19,060	-	19,060	25,000	1,451	26,451	445,000	66,407	511,407
2030	-	-	-	19,060	-	19,060	25,000	888	25,888	450,000	56,745	506,745
2031	-	-	-	19,060	-	19,060	25,000	386	25,386	455,000	46,885	501,885
2032	-	-	-	19,060	-	19,060	25,000	-	25,000	460,000	36,779	496,779
2033	-	-	-	-	-	-	25,000	(818)	24,182	465,000	26,469	491,469
2034	-	-	-	-	-	-	-	-	-	475,000	15,993	490,993
2035	-	-	-	-	-	-	-	-	-	480,000	5,350	485,350
TOTALS	$ 472,000	$ 10,650	$ 482,650	$ 266,840	$ -	$ 266,840	$ 375,000	$ 44,924	$ 419,924	$ 7,390,000	$ 1,404,912	$ 8,794,912

CURRENT BONDS OUTSTANDING

Fiscal Year Ending July 31st	2012 * Serial Bonds - Aerial Fire Truck Principal	Interest	Total	2016 EFC Sewer Trunk Line - SEWER Principal	Interest	Total
2019	$ 40,000	$ 26,725	$ 66,725	$ 85,000	$ 48,962	$ 133,962
2020	40,000	25,325	65,325	85,000	48,507	133,507
2021	40,000	23,925	63,925	85,000	47,955	132,955
2022	45,000	22,525	67,525	85,000	47,275	132,275
2023	45,000	20,950	65,950	85,000	46,471	131,471
2024	50,000	19,375	69,375	90,000	45,575	135,575
2025	50,000	17,625	67,625	90,000	44,558	134,558
2026	50,000	15,875	65,875	90,000	43,482	133,482
2027	55,000	14,063	69,063	95,000	42,251	137,251
2028	55,000	12,000	67,000	95,000	40,833	135,833
2029	60,000	9,800	69,800	95,000	39,312	134,312
2030	60,000	7,400	67,400	100,000	37,686	137,686
2031	60,000	5,000	65,000	100,000	35,912	135,912
2032	65,000	2,600	67,600	100,000	34,086	134,086
2033	-	-	-	105,000	32,217	137,217
2034	-	-	-	105,000	30,213	135,213
2035	-	-	-	110,000	28,175	138,175
2036	-	-	-	110,000	26,007	136,007
2037	-	-	-	115,000	23,725	138,725
2038	-	-	-	115,000	21,339	136,339
2039	-	-	-	120,000	18,953	138,953
2040	-	-	-	120,000	16,464	136,464
2041	-	-	-	125,000	13,974	138,974
2042	-	-	-	130,000	11,308	141,308
2043	-	-	-	130,000	8,534	138,534
2044	-	-	-	135,000	5,760	140,760
2045	-	-	-	135,000	2,880	137,880
TOTALS	$ 715,000	$ 223,188	$ 938,188	$ 2,835,000	$ 842,411	$ 3,677,411

Fiscal Year Ending July 31st	2016 Refunding Bonds Principal	Interest	Total	2017 Various Purpose Bonds Principal	Interest	Total
2019	$ 170,000	$ 114,350	$ 284,350	$ 220,000	$ 53,250	$ 273,250
2020	220,000	107,550	327,550	230,000	48,750	278,750
2021	225,000	96,550	321,550	240,000	44,050	284,050
2022	240,000	92,050	332,050	245,000	39,200	284,200
2023	245,000	87,250	332,250	250,000	34,250	284,250
2024	245,000	82,350	327,350	250,000	29,250	279,250
2025	250,000	77,450	327,450	260,000	24,150	284,150
2026	255,000	72,450	327,450	260,000	18,950	278,950
2027	265,000	67,350	332,350	265,000	12,375	277,375
2028	270,000	60,725	330,725	280,000	4,200	284,200
2029	280,000	51,950	331,950	-	-	-
2030	290,000	42,150	332,150	-	-	-
2031	295,000	33,450	328,450	-	-	-
2032	305,000	24,600	329,600	-	-	-
2033	255,000	15,450	270,450	-	-	-
2034	260,000	7,800	267,800	-	-	-
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
2039	-	-	-	-	-	-
2040	-	-	-	-	-	-
2041	-	-	-	-	-	-
2042	-	-	-	-	-	-
2043	-	-	-	-	-	-
2044	-	-	-	-	-	-
2045	-	-	-	-	-	-
TOTALS	$ 4,070,000	$ 1,033,475	$ 5,103,475	$ 2,500,000	$ 308,425	$ 2,808,425

* The bonds maturing in the years 2020 through 2032, both inclusive, have been refunded through the issuance of refunding bonds and are being paid in full from an escrow account on their first available call date, May 15, 2019.

CURRENT BONDS OUTSTANDING

Fiscal Year Ending July 31st	2018 Transformers & Electric Lines		
	Principal	Interest	Total
2019	$ 125,000	$ 22,572	$ 147,572
2020	130,000	19,666	149,666
2021	130,000	16,579	146,579
2022	135,000	13,491	148,491
2023	140,000	10,285	150,285
2024	145,000	6,960	151,960
2025	145,000	3,480	148,480
TOTALS	$ 950,000	$ 93,033	$ 1,043,033

CONTINUING DISCLOSURE UNDERTAKING

In accordance with the requirements of Rule 15c2-12 as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission"), the Village has agreed to provide, or cause to be provided:

(i) to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, during each fiscal year in which the Bonds are outstanding, (a) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the final Official Statement dated February 14, 2018 of the Village relating to the Bonds under the headings "THE VILLAGE", "TAX INFORMATION", "STATUS OF INDEBTEDNESS", "LITIGATION" and all Appendices (other than Appendix C and other than any Appendix related to bond insurance) by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending July 31, 2019, and (b) a copy of the audited financial statement, if any (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending July 31, 2019; such audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the Village of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year; and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the Village of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;

(ii) in a timely manner not in excess of ten (10) business days after the occurrence of the event, during the period in which the Bonds are outstanding, notice of the occurrence of any of the following events with respect to the Bonds, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule:

(a) principal and interest payment delinquencies;

(b) non-payment related defaults, if material;

(c) unscheduled draws on debt service reserves reflecting financial difficulties;

(d) unscheduled draws on credit enhancements reflecting financial difficulties;

(e) substitution of credit or liquidity providers, or their failure to perform;

(f) 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 securities, or other material events affecting the tax status of the securities;

(g) modifications to rights of security holders, if material;

(h) bond or note calls, if material, and tender offers;

(i) defeasances;

(j) release, substitution, or sale of property securing repayment of the securities, if material;

(k) rating changes;

(l) bankruptcy, insolvency, receivership or similar event of the Village;

(m) the consummation of a merger, consolidation, or acquisition involving the Village or the sale of all or substantially all of the assets of the Village, 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;

(n) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(o) incurrence of a financial obligation of the Village, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Village, any of which affect security holders, if material; and

(p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Village, any of which reflect financial difficulties.

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

(iii) in a timely manner, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of its failure to provide the aforedescribed annual financial information and operating data and such audited financial statement, if any, on or before the date specified.

Event (c) is included pursuant to a letter from the Commission staff to the National Association of Bond Lawyers dated as of September 19, 1995. However, event (c) is not applicable, since no "debt service reserves" will be established for the Bonds.

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

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

The Village reserves the right to terminate its obligations to provide the aforedescribed annual financial information and operating data and such audited financial statement, if any, and notices of events, as set forth above, if and when the Village no longer remains an obligated person with respect to the Bonds within the meaning of the Rule. The Village acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Bonds (including holders of beneficial interests in the Bonds). The right of holders of the Bonds to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the Village 's obligations under its continuing disclosure undertaking and any failure by the Village to comply with the provisions of the undertaking will neither be a default with respect to the Bonds nor entitle any holder of the Bonds to recover monetary damages.

The Village reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Village, provided that, the Village agrees that any such modification will be done in a manner consistent with the Rule.

An undertaking to provide continuing disclosure as described above shall be provided to the purchaser at closing.

VILLAGE OF LAKE PLACID
ESSEX COUNTY, NEW YORK

FINANCIAL REPORT

For the Year Ended July 31, 2017

Such Financial Report and opinions were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.

Lake Placid Village, Inc.

Financial Report

July 31, 2017

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BST
ACCOUNTING TAX ADVISORY

Independent Auditor's Report

Mayor and Board of Trustees
Lake Placid Village, Inc.
Lake Placid, New York

Report on the Financial Statements

We have audited the accompanying financial statements of each governmental fund, the proprietary fund, the fiduciary fund, and each account group of Lake Placid Village, Inc. (Village) as of and for the year ended July 31, 2017, and the related notes to the financial statements, which collectively comprise the entity's regulatory basis financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting practices permitted by the New York State Office of the State Comptroller and prescribed by the New York Power Authority. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by the Village on the bases of accounting and reporting practices permitted by the New York State Office of the State Comptroller and prescribed by the New York Power Authority, which are bases of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New York State and the New York Power Authority.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the governmental funds, proprietary fund, fiduciary fund and each account group of the Village as of July 31, 2017, or the respective changes in financial position, and where applicable, cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental funds, proprietary fund, fiduciary fund, and each account group of the Village as of July 31, 2017, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended, in accordance with accounting and reporting practices permitted by the New York State Office of the State Comptroller and prescribed by the New York Power Authority described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2018, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

BST & Co. CPAs, LLP

Albany, New York
January 24, 2018

BST
ACCOUNTING TAX ADVISORY

Lake Placid Village, Inc.

Balance Sheet - Governmental Funds and Account Groups - Regulatory Basis

	July 31, 2017							
	Governmental Funds					Account Groups		
		Special Revenue						
	General	Revolving Loan Fund	Sewer	Water	Capital Projects	Non-Current Governmental Assets	Non-Current Governmental Liabilities	Total (Memorandum Only)
ASSETS, DEFERRED OUTFLOWS OF RESOURCES, AND OTHER DEBITS								
ASSETS								
Cash and cash equivalents	$ 4,846,672	$ 273,332	$ 710,962	$ 602,854	$ 481,741	$ -	$ -	$ 6,915,561
Cash and cash equivalents, restricted	830,405	-	110,696	26,958	-	-	-	968,059
Accounts receivable	476	-	567,313	367,726	-	-	-	935,515
Other receivables	-	146,649	-	-	-	-	-	146,649
Due from other governments	175,102	-	-	2,404	-	-	-	177,506
Due from other funds	673,969	-	286,168	89,646	-	-	-	1,049,783
Capital assets	-	-	-	-	-	25,961,594	-	25,961,594
Total assets	6,526,624	419,981	1,675,139	1,089,588	481,741	25,961,594		36,154,667
DEFERRED OUTFLOWS OF RESOURCES								
Pension related	-	-	-	-	-	865,908	-	865,908
OTHER DEBITS	-	-	-	-	-	-	20,614,878	20,614,878
	$ 6,526,624	$ 419,981	$ 1,675,139	$ 1,089,588	$ 481,741	$ 26,827,502	$ 20,614,878	$ 57,635,453
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, OTHER CREDITS, AND FUND BALANCES								
LIABILITIES								
Accounts payable and accrued expenses	$ 713,007	$ -	11,428	$ 35,195	$ -	$ -	$ -	$ 759,630
Due to other funds	375,814	-	25,064	3,196	305,629	-	-	709,703
Due to fiduciary fund	143,947	-	-	-	-	-	-	143,947
Capital leases	-	-	-	-	-	-	61,180	61,180
Compensated absences	-	-	-	-	-	-	162,480	162,480
Net pension liability	-	-	-	-	-	-	1,341,064	1,341,064
Bonds payable and other long-term debt	-	-	-	-	-	-	18,696,535	18,696,535
	1,232,768	-	36,492	38,391	305,629	-	20,261,259	21,874,539
DEFERRED INFLOWS OF RESOURCES								
Pension related	-	-	-	-	-	-	353,619	353,619
Unavailable resources	-	6,500	-	-	-	-	-	6,500
	-	6,500	-	-	-	-	353,619	360,119
OTHER CREDITS	-	-	-	-	-	26,827,502	-	26,827,502
FUND BALANCES								
Nonspendable	-	140,149	-	-	-	-	-	140,149
Restricted	830,405	-	110,696	26,958	176,112	-	-	1,144,171
Assigned	-	273,332	1,527,951	1,024,239	-	-	-	2,825,522
Unassigned	4,463,451	-	-	-	-	-	-	4,463,451
	5,293,856	413,481	1,638,647	1,051,197	176,112	-	-	8,573,293
	$ 6,526,624	$ 419,981	$ 1,675,139	$ 1,089,588	$ 481,741	$ 26,827,502	$ 20,614,878	$ 57,635,453

See accompanying Notes to Regulatory Financial Statements.

Lake Placid Village, Inc.

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds - Regulatory Basis

	Year Ended July 31, 2017						
		Special Revenue					
	General	Revolving Loan Fund	Sewer	Water	Capital Projects	Debt Service	Total (Memorandum Only)
REVENUES							
Real property taxes	$ 3,602,677	$ -	$ -	$ -	$ -	$ -	$ 3,602,677
Real property tax items	23,809	-	-	-	-	-	23,809
Nonproperty taxes	139,646	-	-	-	-	-	139,646
Departmental revenues	660,249	97	2,411,859	1,484,292	-	-	4,556,497
Intergovernmental charges	678,309	-	-	61,821	-	-	740,130
Use of money and property	6,351	-	1,083	1,161	-	-	8,595
Licenses and permits	275	-	-	-	-	-	275
Fines and forfeitures	112,911	-	-	-	-	-	112,911
Sale of property and compensation for loss	35,298	-	-	37,662	-	-	72,960
Miscellaneous local sources	23,132	398	-	-	33,240	-	56,770
State aid	378,999	-	-	-	-	-	378,999
Total revenues	5,661,656	495	2,412,942	1,584,936	33,240	-	9,693,269
EXPENDITURES							
General government support	331,352	-	-	-	-	82,007	413,359
Public safety	1,731,529	-	-	-	-	-	1,731,529
Transportation	1,228,174	-	-	-	-	-	1,228,174
Economic assistance	42,864	-	-	-	-	-	42,864
Culture and recreation	157,308	-	-	-	-	-	157,308
Home and community services	149,047	-	1,237,350	705,500		-	2,091,897
Employee benefits	1,088,864		223,721	324,396	-	-	1,636,981
Capital outlay	-	-	-	-	1,765,952	-	1,765,952
Debt service							
Principal	247,283	-	592,982	284,224	-	-	1,124,489
Interest	86,313	-	315,338	49,782	-	-	451,433
Total expenditures	5,062,734	-	2,369,391	1,363,902	1,765,952	82,007	10,643,986
Excess (deficiency) of revenues over expenditures	**598,922**	**495**	**43,551**	**221,034**	**(1,732,712)**	**(82,007)**	**(950,717)**
OTHER FINANCING SOURCES (USES)							
Operating transfers in	372,597	-	186,250	-	196,664	-	755,511
Operating transfers out	(196,664)	-	-	-	(186,250)	-	(382,914)
Refunding debt issued	-	-	-	-	-	4,245,000	4,245,000
Payment to escrow agent	-	-	-	-	-	(4,373,100)	(4,373,100)
Bond premiums	-	-	-	-	-	210,107	210,107
BANs redeemed from appropriations	-	-	-	-	192,123	-	192,123
Proceeds from bonds	-	-	-	-	2,500,000	-	2,500,000
Excess of revenues and other financing sources over expenditures and other financing uses	**774,855**	**495**	**229,801**	**221,034**	**969,825**	**-**	**2,196,010**
FUND BALANCES (DEFICIT), ***beginning of year***	4,519,001	412,986	1,408,846	830,163	(793,713)	-	6,377,283
FUND BALANCE, ***end of year***	$ 5,293,856	$ 413,481	$ 1,638,647	$ 1,051,197	$ 176,112	$ -	$ 8,573,293

See accompanying Notes to Regulatory Financial Statements.

Lake Placid Village, Inc.

Statement of Net Position - Proprietary Fund - Regulatory Basis

	July 31, 2017 Electric
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
UTILITY PLANT	
Plant in service, at original cost	$ 25,814,913
Less accumulated depreciation	(11,754,724)
	14,060,189
Construction work-in-process	36,151
Total net utility plant	14,096,340
DEFERRED OUTFLOW OF RESOURCES	
Pension related	225,388
CURRENT ASSETS	
Cash and cash equivalents	858,725
Cash and cash equivalents, restricted	840,485
Accounts receivable, net	615,455
Due from other governments	798,628
Prepaid expenses	204,137
Inventory	352,296
Total current assets	3,669,726
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	**$ 17,991,454**
EQUITY, LIABILITIES, AND DEFERRED INFLOWS OF RESOURCES	
EQUITY	
Surplus	$ 22,613,716
Contributions to other funds	(9,870,183)
Contributions in aid of construction	3,750,396
Total equity	16,493,929
LONG-TERM LIABILITIES	
Bonds payable	200,000
Net pension liability	386,732
	586,732
DEFERRED INFLOW OF RESOURCES	
Pension related	78,679
CURRENT LIABILITIES	
Accounts payable and accrued liabilities	187,854
Accrued interest	3,026
Unearned revenues	131,221
Consumer deposits	37,933
Due to other funds	340,080
Bond anticipation notes payable	132,000
Total current liabilities	832,114
TOTAL EQUITY, LIABILITIES, AND DEFERRED INFLOWS OF RESOURCES	**$ 17,991,454**

See accompanying Notes to Regulatory Financial Statements.

Lake Placid Village, Inc.

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund - Regulatory Basis

	Year Ended July 31, 2017 Electric
OPERATING REVENUES	
Residential	$ 3,855,751
Commercial	2,802,738
Other	1,409,997
Rent from electric property	120,630
Total operating revenues	8,189,116
OPERATING EXPENSES	
Electricity purchased and related costs	4,537,084
Operation of distribution system	1,022,577
Other operating expenses	
Street lighting and signal system	7,037
Consumers' accounting and collecting	174,996
IEEP contributions	160,260
Taxes	103,678
Bad debt expense	9,751
	455,722
Depreciation	586,001
Administrative and general	
Salaries and expenses	187,070
Employee benefits	797,115
Insurance	88,078
Rents	2,125
Repairs to general property	5,135
	1,079,523
Total operating expenses	7,680,907
Operating income	**508,209**
NON-OPERATING REVENUES (EXPENSE)	
Interest income	2,640
Interest expense	(5,717)
Other non-operating income	19,235
	16,158
Net income	**524,367**
TOTAL FUND EQUITY, *beginning of year*	16,397,671
Contributions in aid of construction	62,253
Contributions to other funds	(490,362)
TOTAL FUND EQUITY, *end of year*	**$ 16,493,929**

See accompanying Notes to Regulatory Financial Statements.

Lake Placid Village, Inc.

Statement of Cash Flows - Proprietary Fund - Regulatory Basis

	Year Ended July 31, 2017 Electric
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Cash received from customers	$ 9,048,224
Cash paid to suppliers and other vendors	(6,096,158)
Cash paid for salaries and employee benefits	(921,816)
	2,030,250
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	
Transfers to cash reserves	(840,485)
Interest received	2,640
	(837,845)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of utility plant	(487,438)
Bond anticipation note payments	(272,000)
Interest payments	(5,717)
Contributions received in aid of construction	62,253
	(702,902)
NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	
Other non-operating income	19,235
Contributions to other funds	(490,362)
	(471,127)
Net increase in cash and cash equivalents	**18,376**
CASH AND CASH EQUIVALENTS, *beginning of year*	840,349
CASH AND CASH EQUIVALENTS, *end of year*	**$ 858,725**
RECONCILIATION OF OPERATING INCOME TO NET CASH AND CASH EQUIVALENTS PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income	$ 508,209
Adjustments to reconcile operating income to net cash and cash equivalents (used) by operating activities	
Depreciation	586,001
Bad debt expense	9,751
(Increase) decrease in	
Accounts receivable / due from other governments	840,009
Due from other funds	70,000
Prepaid expenses	24,964
Inventory	(32,582)
Deferred outflows of resources	349,540
Increase (decrease) in	
Accounts payable and accrued liabilities	(21,744)
Unearned revenues	9,349
Customer deposits	(151)
Due to other funds	(25,925)
Deferred inflows of resources	(17,630)
Net pension liability	(269,541)
	$ 2,030,250

See accompanying Notes to Regulatory Financial Statements.

Lake Placid Village, Inc.

Statement of Fiduciary Net Position - Regulatory Basis

	July 31, 2017 Trust and Agency
ASSETS	
Cash and cash equivalents	$ 83,462
Due from other funds	143,947
Total assets	**$ 227,409**
LIABILITIES	
Agency liabilities	**$ 227,409**

See accompanying Notes to Regulatory Financial Statements.

Note 1 - Organization and Summary of Significant Accounting Policies

Lake Placid Village, Inc. (Village) was incorporated in 1900, is governed by a charter, general laws of the State of New York, and various local laws and ordinances. The Board of Trustees (Board) is the legislative body responsible for the overall operation of the Village and is comprised of the Mayor and four Trustees. The Mayor serves as Chief Executive Officer, and the Village Treasurer serves as Chief Fiscal Officer.

The Village provides water, sewer, electric, public safety, highway and street maintenance, cultural-recreational, public improvement, planning and zoning, and general and administrative services to the residents of the Village.

All governmental activities and functions performed for the Village are the direct responsibility of the Board. These responsibilities include, but are not limited to, financial independence, selection of governing authority, designation of management, and the ability to significantly influence operations and accountability for fiscal matters.

a. Basis of Presentation

The Village has elected to prepare its financial statements on the regulatory basis permitted by the New York State Office of the State Comptroller (OSC) and as prescribed by the New York State Power Authority (NYPA) for annual reports submitted to those agencies. This regulatory basis varies from accounting principles generally accepted in the United States of America (U.S. GAAP) primarily in that under U.S. GAAP, the following attributes are present:

- Financial statements include two additional statements, the statement of net position and the statement of activities, collectively referred to as the "government-wide" financial statements which are presented on the full accrual basis of accounting.
- A Management's Discussion and Analysis (MD&A) is required as supplementary information that precedes the basic financial statements and is intended to provide an objective analysis of the government's financial activities.
- Other supplementary information is required by U.S. GAAP, including budgetary comparison schedules for the general fund and each major special revenue fund that has a legally adopted annual budget, and the schedule of funding progress for other postemployment benefits.
- Water and sewer related activities that meet the criteria for mandatory reporting as a proprietary fund are permitted to be reported as special revenue funds.
- Fund-based financial statements must be reconciled to the "government-wide" statements.
- Capital assets, other than land, are depreciated and reported in the "government-wide" statement of net position at their net book value, and depreciation expense is allocated to the major functions on the statement of activities for the use of the underlying assets. In addition, infrastructure related assets, such as roads, bridges and water, and sewer systems are reported at estimated historical cost net of depreciation.
- Other postemployment benefits are estimated and reported in the government-wide and proprietary fund financial statements.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

b. Financial Reporting Entity

The financial reporting entity consists of: (a) the primary government, which is the Village of Lake Placid; (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. In evaluating how to define the Village for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in U.S. GAAP.

Based on the application of these criteria, the Village has no component units that should be included in the reporting entity.

c. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financial uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction that can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Village considers property taxes available if they are collected within 60 days after year end. A 60-day availability period is also used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due and compensated absences, such as vacation and sick leave which vests or accumulates, are charged as an expenditure when paid.

Those revenues susceptible to accrual are real property taxes, state and federal aid, sales tax, interest revenue, charges for services, and fines. All other governmental fund revenue items are considered to be measurable and available only when cash is received by the Village.

The Electric Fund's (proprietary fund) financial statements are prepared on the accrual basis, whereby revenues are recognized when earned, and expenses are recorded when incurred. Capital assets and long-term liabilities related to these activities are recorded within the Electric Fund. NYPA regulations require that the Electric Fund records be maintained in accordance with the *Uniform System of Accounts for Municipal Electric Utilities.* Operating revenues of the Electric Fund are determined based on customer usage and demand charged at base rates for each consumer class approved by NYPA. Purchased power costs incurred in excess of those costs included in the base rate calculation are passed on to the consumer at no profit or loss to the Electric Fund by means of a "Purchased Power Adjustment" (PPA) factor. The pass-through of these costs to its customers is known as PPA revenues and is included in total revenues in these financial statements.

The Village's fiduciary fund and account groups are reported on the accrual basis of accounting.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

d. Fund Accounting

The Village uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of designated monies (Special Revenue Funds) and the acquisition or construction of general fixed assets (Capital Projects Funds). The General Fund is used to account for all activities of the general government not accounted for in another fund.

The following are the Village's governmental funds:

i.) General Fund

The General Fund is the principal fund and includes all operations not required to be recorded in other Village funds.

ii.) Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue resources other than major capital projects that are legally restricted to expenditures for specified purposes. Special Revenue Funds of the Village include the following:

Revolving Loan Fund - Used to account for the Section 8 Housing and Community Development Block Grants received from the United States Department of Housing and Urban Development.

Water Fund - Used to record water operations of the Village which render services on a user charge basis to the general public. The major revenue source of this fund is departmental income.

Sewer Fund - Used to record sewer operations of the Village which render services on a user charge basis to the general public. The major revenue source of this fund is departmental income.

iii.) Capital Projects Fund

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of general fixed assets, including any indebtedness associated with these general fixed assets. Financing is generally provided from proceeds of bonds, notes, and/or federal and state grants.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

d. *Fund Accounting* - Continued

iv.) Debt Service Fund

The Debt Service Fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for principal and interest on general obligation long-term debt. Debt Service Funds are used when legally mandated and for financial resources accumulated in a reserve for payment of future principal and interest on long-term indebtedness.

Proprietary funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body had decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The measurement focus of proprietary funds is based upon determination of net income, financial position, and changes in financial position. The following is the Village's proprietary fund:

Electric Fund - is self-supporting through charges to customers in the Village's franchise area based on electric usage. The Electric Fund is subject to regulation by NYPA with respect to wholesale power purchased, rate structure, accounting, and other matters.

The Village uses fiduciary funds to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

The Village also reports the following account groups:

Non-Current Governmental Assets Account Group - Used to account for capital assets and pension related deferred outflows of resources of the Village not accounted for through specific proprietary funds. As permitted by the New York State Office of the State Comptroller, the Village has not estimated the historical cost of infrastructure assets.

Non-Current Governmental Liabilities Account Group - Used to account for general government long-term debt, other liabilities, and pension related deferred inflows of resources that are not due and payable as of the balance sheet date.

e. *Estimates*

The preparation of financial statements on the regulatory basis permitted by the OSC and prescribed by NYPA requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

f. *Budgets*

Budgets are adopted on the modified accrual basis. An annual appropriated budget is adopted for the General Fund.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

f. Budgets - Continued

The Village employs the following budgetary procedures:

i.) No later than May 31, the budget officer submits a tentative budget to the Village Clerk for the fiscal year commencing the following August 1. The tentative budget includes proposed expenditures and the proposed means of financing for all operating funds for the Village.

ii.) After a public hearing is conducted to obtain taxpayer comments, but no later than July 1st, the Village adopts the budget.

iii.) All revisions that alter appropriations of any department or fund must be approved by the Village Board. Unencumbered budgetary appropriations lapse at the close of each fiscal year, with the exception of capital projects.

iv.) Budgetary appropriations are established for individual capital projects through resolutions authorizing the corresponding Capital Projects Fund to be established which remain in effect for the life of the project.

Encumbrances - Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances at year-end are reported as reservations of fund balance since the commitments do not constitute expenditures or liabilities. Open encumbrances authorized by appropriation from the previous year's budget, after review and approval, are added to the current year's budget approved by the Board to provide the modified budget which is presented in the accompanying financial statements as assigned fund balance.

g. Cash, Cash Equivalents and Investments

Cash and cash equivalents consist of cash and time deposits, which mature no more than three months after the date purchased. The Village is required to collateralize its cash deposits in excess of the Federal Deposit Insurance Corporation (FDIC) limit. This collateral is in the form of government and government agencies' securities pledged by the bank under a third-party trust agreement. As of July 31, 2017, the collateral was sufficient to secure the Village's deposits.

Restricted cash and cash equivalents are reserved for use and purposes by the Board in accordance with General Municipal Law. Restricted cash and cash equivalents are held for the following purposes:

	General Fund	Sewer Fund	Water Fund	Electric Fund
Employee benefits	$ 101,431	$ 4,446	$ 26,958	$ 90,485
Forfeiture reserve	41,618	-	-	-
Capital reserve	520,129	-	-	750,000
Parking reserve	167,227	-	-	-
Debt service - EFC loan	-	106,250	-	-
	$ 830,405	$ 110,696	$ 26,958	$ 840,485

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

g. Cash, Cash Equivalents and Investments - Continued

The Village's investment policies are governed by State statutes and various resolutions of the Board. Village monies must be maintained in demand accounts or certificates of deposit in an FDIC-insured commercial bank or trust company authorized to do business in New York State. Other permissible investments include obligations of the U.S. Treasury, U.S. Agencies, and New York State or its localities.

h. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

i. Accounts Receivable, Net

Accounts receivable are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Management determines the allowance for doubtful accounts, if any, by identifying troubled accounts and by using historical experience applied to an aging of accounts. The allowance for doubtful accounts within the Electric Fund at July 31, 2017 was $15,000. No allowance was deemed necessary within the other funds.

Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received. An account receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 30 days. Interest is charged on accounts receivable that are outstanding for more than 30 days and is recognized as it is charged. Interest continues to accrue while an account remains active. Once service is terminated, interest charges are suspended.

Other receivables made from the Village's Revolving Loan Fund that are due in future reporting periods are made from revenue sources recognized in prior reporting periods. Accordingly, these loans are not reported as deferred inflows of resources in the Revolving Loan Fund. The Village considers these loans to be collectable, however, the timing of collection is uncertain. Accordingly, the portion of fund balance attributed to these loans has been classified as nonspendable.

j. Due From Other Governments

Amounts due from other governments in the General Fund are primarily comprised of balances due from Essex County for property taxes relevied and operating grants. Both property taxes and grant related activities are recognized when all time and eligibility requirements have been met.

At July 31, 2017, the Village's Electric Fund is owed approximately $799,000 from NYPA based on a comparison of historical budget billings for purchased power versus actual charges. The net change in this receivable from July 31, 2016 to July 31, 2017, totaling $737,442, is being reported as an increase in purchased power expense for the year ended July 31, 2017.

k. Inventory

Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

k. Inventory - Continued

As prescribed by NYPA, Electric Fund inventory is valued using an average cost method. Inventory materials recovered and returned to stock in construction, maintenance, or the retirement of operating property are valued at current replacement prices. Inventory consists of components, parts, and tools held for consumption.

l. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the Electric Fund financial statements. In accordance with the modified accrual basis of accounting, the Village has elected not to report prepaid expenses in the governmental funds.

m. Capital Assets, Net

Electric Fund

Under the provisions of the *Uniform System of Accounts for Municipal Electric Utilities*, operating property is recorded at cost, including capitalized labor and overhead. Overhead costs include fringe benefits, warehouse, and truck costs. Operating property constructed with capital fees received from customers or other parties is included in utility plant. When operating property is retired, the book cost, together with the cost of removal, is charged to accumulated depreciation. The provision for depreciation has been computed, based on asset groups, under the straight-line method utilizing rates approved by NYPA. These rates range from 1.3% to 10.6% per annum and are within the ranges recommended by the Federal Energy Regulation Commission (FERC) and NYPA.

Governmental Funds

The Village reports land, buildings, machinery, and equipment at historical cost. The Village has reported some capital assets at estimated historical cost by obtaining the replacement cost, less inflation to the date of estimated acquisition date. As permitted by the New York State Office of the State Comptroller, the Village has not estimated the historical cost of its infrastructure related assets.

Repairs and Maintenance Costs and Impairment of Long-Lived Assets

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Management periodically reviews long-lived assets for impairment to determine whether any events or circumstances indicate the carrying value of the assets may not be recoverable. No impairment was identified during 2017.

n. Deferred Outflows and Deferred Inflows of Resources and Unearned Revenues

The Village reports deferred outflows of resources and deferred inflows of resources on its balance sheet. Pension related deferred outflows of resources and deferred inflow of resources are disclosed in Note 9.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

n. Deferred Outflows and Deferred Inflows of Resources and Unearned Revenues - Continued

Deferred inflows of resources also arise when potential revenue does not meet both "measurable" and "available" criteria for recognition in the current period and when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the deferred inflows are removed from the balance sheet, and revenue is recognized.

Deferred inflows of resources in the Revolving Loan Fund represent principal to be received in future periods related to outstanding rehabilitation and development loans. Deferred outflows and inflows in the non-current governmental assets account group and non-current governmental liabilities account group represent pension related activity that does not meet the definition of an expense under the modified accrual basis of accounting. Deferred outflows and inflows of resources in the Electric Fund relate to changes in the net pension liability that will be amortized into pension expense over time.

Unearned revenues in the Electric Fund represent amounts received in advance for the rental of property owned by the Electric Fund. Rental income is recognized monthly, on a straight-line basis, over the term of underlying agreements.

o. Vacation, Compensatory Time, and Sick Leave

Vacation and compensatory time is earned and accumulated by Village employees in varying amounts. In the event of termination, employees are paid for accumulated vacation time. Salaried employees are not entitled to compensatory time. Employees earn vacation leave based primarily on the number of years employed up to a maximum rate of 25 days a year, but may accumulate no more than a maximum of 10 days. Upon separation from service, employees are paid the balance of any earned unused vacation at that time.

Only full-time employees who have completed six consecutive months of service are eligible to accrue sick leave. Employees earn sick leave at the rate of 12 days per year and may accumulate such credits up to a total of 180 to 240 days, depending upon their negotiated contract. Employees who retire from the Village may use accumulated sick leave to fund the purchase of health insurance.

Vested vacation and compensatory time is recorded under accrued liabilities in the Electric Fund and as compensated absences in the non-current governmental liabilities account group.

p. Pensions

Pensions are recognized using the accrual basis of accounting in the Electric Fund and non-current governmental assets and liabilities account groups. The Village recognizes a net pension liability for the pension plan which represents the Village's proportionate share of the excess total pension liability over the pension plan assets, as actuarially calculated, of a cost-sharing multiple-employer plan, measured as of the fiscal year-end of the plan (March 31). See Note 9.

q. Fund Balance

Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The five fund balance classifications are as follows:

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

q. *Fund Balance* - Continued

Nonspendable - Amounts that cannot be spent because they are either (a) not in spendable form, or (b) are legally or contractually required to be maintained intact.

Restricted - Amounts that have restraints that are either (a) externally imposed by creditors, grantors, contributors, or laws and regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - Amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action, such as legislation, resolution, or ordinance by the government's highest level of decision-making authority.

Assigned - Amounts that are constrained only by the government's intent to be used for a specified purpose, but are not restricted or committed in any manner.

Unassigned - The residual amount in the General Fund after all of the other classifications have been established. In a Special Revenue Fund, if expenditures and other financing uses exceed the amounts restricted, committed, or assigned for those purposes, then a negative unassigned fund balance will occur.

The Village's fund balance policy is set by the Village Board, the highest level of decision-making authority. The Village Board considers "formal action" for a committed fund balance to be the passing of a Board resolution. The Board has delegated the ability to assign fund balance to the Treasurer. The Village considers fund balance spent in the order of restricted, committed, assigned, and unassigned.

Note 8 provides further details regarding the Village's fund balance classifications.

r. *New Accounting Pronouncements*

Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application* (GASB No. 72). GASB No. 72 defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information should be disclosed in the notes to the financial statements. The provisions of GASB No. 72 are effective for fiscal years beginning after June 15, 2015. Adoption of this accounting standard did not significantly impact the Village's financial statements.

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are Not Within the Scope of GASB No. 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* (GASB No. 73). The requirements of this statement extend the approach to accounting and financial reporting established in GASB No. 68, *Accounting and Financial Reporting for Pensions* (GASB no. 68) to all pensions, with modifications as necessary to reflect that for accounting and financial reporting purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in GASB No. 68 should not be considered pension plan assets. It also requires that information similar to that required by GASB No. 68 be included in the notes to financial statements and required supplementary information by all similarly situated employers and non-employer contributing entities. Adoption of this accounting standard did not impact the Village's financial statements.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

r. New Accounting Pronouncements - Continued

GASB Statement No 76, *Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* (GASB No. 76). This statement identifies the hierarchy of U.S. GAAP in the context of governmental financial reporting. This statement reduces the hierarchy of U.S. GAAP to two categories of authoritative U.S. GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specific with a source of authoritative U.S. GAAP.

GASB Statement No. 77, *Tax Abatement Disclosures* (GASB No. 77). GASB No. 77 requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

- Brief descriptive information such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients.
- The gross dollar amount of taxes abated during the period.
- Commitments made by the government, other than to abate taxes, as part of the tax abatement agreement.

The Village does not have any tax abatement agreements.

GASB Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans* (GASB No. 78). This statement amends the scope and applicability of GASB No. 68 to exclude pension plans provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that is:

- Not a state or local government pension plan,
- Used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governments, and
- Not used predominantly by a state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan).

Adoption of this accounting standard did not impact the Village.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants.* This statement enhances comparability of financial statements of governments by establishing specific criteria used to determine whether a qualifying external investment pool may elect to use an amortized cost exception to fair value measurement. Those criteria provide qualifying external investment pools and participants in those pools with consistent application of an amortized cost based measurement for financial reporting purposes. That measurement approximates fair value and mirrors the operations of external investment pools that transact with participants at a stable net asset value per share. Adoption of this accounting standard did not significantly impact the Village's financial statements.

GASB Statement No. 80, *Blending Requirements for Certain Component Units.* This statement provides clarity on how certain component units incorporated as not-for-profit corporations should be presented in the financial statements of the primary state or local governments. The adoption of this accounting standard did not impact the Village's financial statements.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

s. Subsequent Events

The Village has evaluated subsequent events for potential recognition or disclosure through January 24, 2018, the date the financial statements were available to be issued.

Note 2 - Property Taxes

Property taxes attach as an enforceable lien on property as of March 1. Taxes are levied no later than August 1 and are payable by August 31. The Village bills and collects its own property taxes through the first week of November, at which time any unpaid property taxes are relevied to the County of Essex property taxes. On or around April 1, the County pays the Village the full amount of unpaid taxes plus interest and penalties.

Note 3 - Capital Assets

A summary of changes in the Village's governmental related capital assets during the year is as follows:

	Balance at August 1, 2016	Additions	Disposals/ Transfers	Balance at July 31, 2017
Land	$ 1,521,227	$ 103,016	$ -	$ 1,624,243
Buildings and improvements	19,805,858	145,002	(783,649)	19,167,211
Construction work-in-progress	-	423,637	-	423,637
Machinery and equipment	4,360,112	386,391	-	4,746,503
Total non-current governmental assets	$ 25,687,197	$ 1,058,046	$ (783,649)	$ 25,961,594

A summary of the Electric Fund's utility plant in service is as follows:

	July 31, 2017 Electric Fund
Land	$ 45,794
Buildings	777,463
Distribution, transmission, and other operational equipment	22,360,497
Office, vehicles, and other equipment	2,631,159
Plant in service	25,814,913
Accumulated depreciation	(11,754,724)
Plant in service, net	14,060,189
Construction work-in-progress	36,151
Total net utility plant	$ 14,096,340

Lake Placid Village, Inc.

Notes to Regulatory Financial Statements
July 31, 2017

Note 3 - Capital Assets - Continued

A summary of changes in the Electric Fund's utility plant in service during the year is as follows:

	Balance at August 1, 2016	Additions	Disposals/ Transfers	Balance at July 31, 2017
Land	$ 45,794	$ -	$ -	$ 45,794
Buildings	775,542	1,921	-	777,463
Distribution, transmission, and other operational equipment	21,930,931	488,145	(58,579)	22,360,497
Office, vehicles, and other equipment	2,533,690	135,969	(38,500)	2,631,159
Plant in service	25,285,957	626,035	(97,079)	25,814,913
Accumulated depreciation	(11,124,113)	(729,005)	98,394	(11,754,724)
Plant in service, net	14,161,844	(102,970)	1,315	14,060,189
Construction in progress	33,059	36,151	(33,059)	36,151
Total net utility plant	$ 14,194,903	$ (66,819)	$ (31,744)	$ 14,096,340

Depreciation expense for the Electric Fund was $586,001 for 2017. Depreciation charges on transportation and shop equipment have been allocated to the various expense or operating property accounts via the Electric Fund's work order system, as prescribed by the *Uniform System of Accounts for Municipal Electric Utilities*. These depreciation charges totaled $104,148 for the year ended July 31, 2017. Depreciation expense and charges for the year ended July 31, 2017 represented 2.7% of the plant in service at July 31, 2017. In accordance with the *Uniform System of Accounts for Municipal Electric Utilities*, net costs associated with the retirement, removal, salvage, and proceeds upon disposition of fixed assets have been charged against accumulated depreciation. These costs totaled $59,539 for 2017.

Construction in progress at July 31, 2017 includes various construction projects not complete or in service at year-end.

Note 4 - Bonds Payable and Other Long-Term Debt

Bonds and State Loans Payable

A summary of bond and state loan transactions of the Village is as follows:

	August 1, 2016	Issuances	Payments	July 31, 2017
Governmental Activities				
Bonds and EFC loan payables	$ 17,312,595	$ 2,300,000	$ 916,060	$ 18,696,535
Business-Type Activities				
Bonds payable	$ -	$ 200,000	$ -	$ 200,000

Lake Placid Village, Inc.

Notes to Regulatory Financial Statements
July 31, 2017

Note 4 - Bonds Payable and Other Long-Term Debt - Continued

Bonds and State Loans Payable - Continued

A summary of the Village's governmental funds' indebtedness under bonds and other long-term debt is as follows:

Description	Issue Date	Maturity Date	Interest Rate	Balance at July 31, 2017
General Fund				
2017 Public Improvement Refunding (Serial) Bonds	1/25/2017	12/15/2028	2.00% - 3.00%	$ 2,100,000
2016 Public Improvement Refunding (Serial) Bonds	11/27/2016	4/15/2034	0.85% - 3.00%	2,146,400
2012 Public Improvement Bond	5/25/2012	5/24/2032	3.75%	80,000
				4,326,400
Sewer Fund				
2017 Public Improvement Refunding (Serial) Bonds	1/25/2017	12/15/2028	2.00% - 3.00%	100,000
Environmental Facilities Corporation Obligation	7/19/2003	1/15/2033	4.61%	395,000
2016 Public Improvement Refunding (Serial) Bond	11/27/2016	4/15/2034	0.85% - 3.00%	1,168,200
Environmental Facilities Corporation Obligation	8/6/2015	3/1/2045	3.82%	2,917,635
Environmental Facilities Corporation Obligation	7/29/2008	7/29/2035	0.00%	7,780,000
				12,360,835
Water Fund				
2017 Public Improvement Refunding (Serial) Bonds	1/25/2017	12/15/2028	2.00% - 3.00%	100,000
Environmental Facilities Corporation Obligation	9/23/1999	7/15/2020	1.50%	703,000
Environmental Facilities Corporation Obligation	8/2/2002	8/2/2031	0.00%	285,900
2016 Public Improvement Refunding (Serial) Bond	11/27/2016	4/15/2034	0.85% - 3.00%	920,400
				2,009,300
Total Governmental Long-Term Financing Obligations				$ 18,696,535

A summary of the Village's proprietary fund's indebtedness under bonds payable is as follows:

Description	Issue Date	Maturity Date	Interest Rate	Balance at July 31, 2017
2017 Public Improvement Refunding (Serial) Bonds	1/25/2017	12/15/2028	2.00% - 3.00%	$ 200,000

A summary of aggregate minimum maturities of the Village's governmental funds' indebtedness under bonds and other long-term debt payable is as follows:

Year Ending July 31,	Governmental Funds Principal	Interest	Total
2018	$ 922,695	$ 537,565	$ 1,460,260
2019	1,145,460	495,991	1,641,451
2020	1,173,660	471,603	1,645,263
2021	949,860	446,129	1,395,989
2022	974,460	423,299	1,397,759
2023-2027	5,187,500	1,734,836	6,922,336
2028-2032	4,757,900	1,019,527	5,777,427
2033-2037	2,575,000	369,702	2,944,702
2038-2042	610,000	164,076	774,076
2043-2045	400,000	34,349	434,349
Totals	$ 18,696,535	$ 5,697,077	$ 24,393,612

Lake Placid Village, Inc.

Notes to Regulatory Financial Statements
July 31, 2017

Note 4 - Bonds Payable and Other Long-Term Debt - Continued

Bonds and State Loans Payable - Continued

Interest expense incurred on the above indebtedness was $445,107 for the year ended July 31, 2017.

A summary of aggregate minimum maturities of the Village's proprietary fund indebtedness under bonds is as follows:

Year Ending July 31,	Principal	Interest	Total
2018	$ -	$ 6,161	$ 6,161
2019	17,600	4,260	21,860
2020	18,400	3,900	22,300
2021	19,200	3,524	22,724
2022	19,600	3,136	22,736
2023-2027	102,800	9,518	112,318
2028	22,400	336	22,736
Totals	$ 200,000	$ 30,835	$ 230,835

Interest expense incurred on the above indebtedness was $5,717 for the year ended July 31, 2017.

2016 Public Improvement Serial Refunding Bonds

During November 2016, the Village issued $4,245,000 of 2016 Public Improvement Serial Refunding Bonds at a premium of $210,107 to provide resources to purchase U.S. Government, state, and local government series securities that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments on the Village's 2008 and 2012 Public Improvement Serials Bonds. 2008 Public Improvement Serial Bonds were fully redeemed. All but $80,000 of the 2012 Public Improvement Serial Bonds were fully redeemed. The terms of the 2016 Public Improvement Serial Refunding Bonds include interest at rates ranging from 0.85% to 3.00%, payable semi-annually on April 15th and October 15th. Principal payments ranging from $10,000 to $260,000 are payable annually on April 15th. The 2016 Public Improvement Serial Refunding Bonds mature April 15, 2034. The refunding resulted in future cash flow savings of $705,985, and a net present value savings of $577,142.

At July 31, 2017, $675,000 of defeased obligations were outstanding. The assets and liabilities related to defeased obligations are not reported in the accompanying financial statements.

2017 Public Improvement Serial Bonds

During January 2017, the Village issued $2,500,000 of 2017 Public Improvement Serial Bonds to repay bond anticipation notes within the capital projects fund and to provide resources for various Village improvements and projects, a land acquisition, a fire truck, a plow truck and a bucket truck. The terms of the 2017 Public Improvement Serial Bonds include interest at rates ranging from 2.00% - 3.00%, payable semi-annually on June 15th and December 15th. Principal payments ranging from $220,000 to $280,0000 are payable annually on December 15th. The 2017 Public Improvement Serial Bonds mature December 15, 2028.

Note 4 - Bonds Payable and Other Long-Term Debt - Continued

Capital Lease

The Village has a capital lease obligation at an interest rate of 5.49% for a piece of equipment, which serves as collateral for the obligation. The Village's capital lease obligation is reported in the non-current governmental liabilities account group. Principal payments on the capital lease of $18,309 were reported as debt service expenditures in the General Fund for the period ended July 31, 2017. A summary of future aggregate minimum maturities of capital leases is as follows:

	Governmental Funds		
July 31,	Principal	Interest	Total
2018	$ 19,314	$ 3,358	$ 22,672
2019	20,374	2,298	22,672
2020	21,492	1,180	22,672
Totals	$ 61,180	$ 6,836	$ 68,016

Note 5 - Bond Anticipation Notes Payable (BANs)

The following is a summary of BANs payable:

Description	Original Issue Date	Maturity Date	Interest Rate	Balance at July 31, 2017
Electric Fund				
Bond Anticipation Note	8/18/2013	8/18/2018	1.75%	$ 132,000

The following is a summary of changes in BANs payable:

Reported on	Balance August 1, 2016	New Issues	Principal Payments	Balance July 31, 2017
Capital Projects Fund	$ 887,123	$ -	$ (887,123)	$ -
Electric Fund	332,000		(200,000)	132,000
Total	$ 1,219,123	$ -	$ (1,087,123)	$ 132,000

Interest expense incurred on the above BANs was $11,884 for the year ended July 31, 2017.

Note 6 - Equipment Obligations

The Electric Fund financed certain equipment with a long-term note payable from NYPA. The equipment serves as collateral on the underlying obligation. Terms of the note include monthly payments of principal and interest of $4,670. Interest is charged at 0.86%, and the note expires in March 2018. The balance of the note payable was $27,888, and interest expense was $587 as of and for the year ended July 31, 2017. This note payable is included in accounts payable and accrued liabilities in these financial statements.

Note 7 - Interfund Transactions

Due To/Due From Other Funds

A summary of interfund amounts due to and due from other funds is as follows:

	Due From Other Funds			
	General	Sewer	Water	Total Governmental Funds
Due to other funds				
General	$ -	$ 286,168	$ 89,646	$ 375,814
Water	3,196	-	-	3,196
Capital Projects	305,629	-	-	305,629
Sewer	25,064	-	-	25,064
Total Governmental Funds	333,889	286,168	89,646	709,703
Proprietary	340,080	-	-	340,080
Total	$ 673,969	$ 286,168	$ 89,646	$ 1,049,783

In addition, the Village's General Fund owes the fiduciary fund $143,947.

The Electric Fund provides the Village with electric service related to public street lighting. The cost of this service totaled $51,722 for the year ended July 31, 2017. The Electric Fund also contributed labor and material costs to the Village. These costs totaled $66,043 for the year ended July 31, 2017. The electric service and labor costs are considered contributions to the Village's General Fund and have been reported herein as a change in fund equity in the Electric Fund.

In addition, during the year ended July 31, 2017, the Electric Fund contributed $372,597 in cash to the Village's General Fund. Cash contributions are reported as a transfer from other funds in the General Fund. As prescribed by NYPA, total annual contributions to the Village's General Fund cannot exceed 3% of the net book value of the Electric Fund's utility plant in service.

The Water and Sewer Funds share in the cost of rent expense to the General Fund for office and garage space used by Water and Sewer Department personnel. Rent expense totaled $10,492 for the year ended July 31, 2017.

Lake Placid Village, Inc.

Notes to Regulatory Financial Statements
July 31, 2017

Note 8 - Fund Balances

Fund balances are as follows:

	July 31, 2017					
	General Fund	Revolving Loan Fund	Sewer Fund	Water Fund	Capital Projects	Total
Nonspendable						
Unavailable loans	$ -	$ 140,149	$ -	$ -	$ -	$ 140,149
Restricted						
Capital reserve	-	-	-	-	176,112	176,112
Parking reserve	167,227	-	-	-	-	167,227
Police reserve	41,618	-	-	-	-	41,618
Fire reserve	520,129	-	-	-	-	520,129
Debt service	-	-	106,250			106,250
Reserve for employee benefits	101,431	-	4,446	26,958	-	132,835
Unrestricted						
Assigned for special revenue purposes	-	273,332	1,527,951	1,024,239	-	2,825,522
Unassigned	4,463,451	-	-	-	-	4,463,451
Total fund balance	$ 5,293,856	$ 413,481	$ 1,638,647	$ 1,051,197	$ 176,112	$ 8,573,293

Note 9 - New York State Retirement System

a. Plan Description

The Village participates in the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS) which are collectively referred to as New York State and Local Retirement System (the System). The System is a cost-sharing, multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the System.

The Comptroller adopts and may amend rules and regulations for the administration and transaction of the business of the System for the custody and control of its funds. The System issues publicly available financial reports that include financial statements and required supplementary information. These reports may be obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, New York 12244.

b. Plan Benefits

The System provides retirement benefits as well as death and disability benefits. Retirement benefits are established by the NYSRSSL and are dependent upon the point in time at which the employees last joined the System. The NYSRSSL has established distinct classes of membership.

Note 9 - New York State Retirement System - Continued

b. Plan Benefits - Continued

The System uses a tier concept within ERS and PFRS to distinguish these groups, as follows:

<u>ERS</u>

- Tier 1 - Those persons who last became members before July 1, 1973.
- Tier 2 - Those persons who last became members on or after July 1, 1973, but before July 27, 1976.
- Tier 3 - Generally, those persons who are State correction officers who last became members on or after July 27, 1976, but before January 1, 2010, and all others who last became members on or after July 27, 1976, but before September 1, 1983.
- Tier 4 - Generally, except for correction officers, those persons who last became members on or after September 1, 1983, but before January 1, 2010.
- Tier 5 - Those persons who last became members on or after January 1, 2010, but before April 1, 2012.
- Tier 6 - Those persons who first became members on or after April 1, 2012.

<u>PFRS</u>

- Tier 1 - Those persons who last became members before July 31, 1973.
- Tier 2 - Those persons who last became members on or after July 31, 1973, but before July 1, 2009.
- Tier 3 - Those persons who last became members on or after July 1, 2009, but before January 9, 2010.
- Tier 4 - Not applicable.
- Tier 5 - Those persons who last became members on or after January 9, 2010, but before April 1, 2012, or who were previously PFRS Tier 3 members who elected to become Tier 5.
- Tier 6 - Those persons who first became members on or after April 1, 2012.

Generally, members of ERS and PFRS may retire at age 55; however, members of Tiers 2, 3, and 4 will receive a reduced benefit if they retire before age 62 with less than 30 years of service. Tier 5 members must be 62 years of age with at least 10 years of service credit to retire with full benefits. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members. Tier 6 members with 10 years of service or more can retire as early as age 55 with reduced benefits. A member with less than five years of service may withdraw and obtain a refund, including interest, of the accumulated employee contributions. Members who joined the System prior to January 1, 2010 generally need five years of service to be 100 percent vested. Members who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS) need 10 years of service credit to be 100 percent vested.

Note 9 - New York State Retirement System - Continued

b. Plan Benefits - Continued

Typically, the benefit for members in all Tiers within ERS and PFRS is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a Tier 1 or Tier 2 member retirees with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. If a Tier 3, 4, or 5 member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a Tier 3, 4, or 5 member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Final average salary for Tiers 1 through 5 is the average of the wages earned in the three highest consecutive years of employment. Each year used in the final average salary calculation is limited to no more than 20 percent of the previous year (Tier 1) or no more than 20 percent of the average of the previous two years (Tier 2). For Tier 3, 4, and 5 members, each year used in the final average salary calculation is limited to no more than 10 percent of the average of the previous two years. The benefit for Tier 6 members who retire with 20 years of service is 1.75 percent of final average salary for each year of service. If a Tier 6 member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied to each year of service over 20 years. The final average salary for a Tier 6 member is computed as the average of the wages earned in the five highest consecutive years. Each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

An automatic postemployment benefit is provided annually to pensioners who have attained age 62 and have been retired for five years; to pensioners who have attained age 55 and have been retired for ten years; to all disability pensioners, regardless of age, who have been retired for five years; to ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years; and the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed $18,000 of the annual retirement benefit. The cost-of-living percentage is 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or greater than 3 percent.

c. Funding Policy

Employee contribution requirements depend upon the point in time at which an employee last joined the System. Most Tier 1 and Tier 2 members of ERS, and most members of PFRS are not required to make employee contributions. Employees in Tiers 3, 4, and 5 are required to contribute 3 percent of their salary, however, as a result of Article 19 of the NYSRSSL, eligible Tier 3 and 4 employees who have ten or more years of membership or credited service within the System are not required to contribute. The Tier 6 contribution rate varies from 3 percent to 6 percent depending on salary. Tiers 5 and 6 members are required to contribute for all years of service. Members cannot be required to begin contributing or to make increased contributions beyond what was required when their memberships began.

Participating employers are required under the NYSRSSL to contribute to the System at an actuarially determined rate adopted annually by the Comptroller. The average contribution rate for ERS for the fiscal year ended March 31, 2017 was approximately 18.2 percent of payroll. The average contribution rate for PFRS for the fiscal year ended March 31, 2017 was approximately 24.7 percent of payroll.

Note 9 - New York State Retirement System - Continued

c. *Funding Policy* - Continued

The required contributions for the current year and the two preceding years were:

Year	ERS	PFRS	Total
2017	$ 510,189	$ 151,164	$ 661,353
2016	603,259	102,057	705,316
2015	528,282	159,952	688,234

Contributions made to the System were equal to 100% of the contributions required for each year.

d. *Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions*

At July 31, 2017, the Village reported a total liability of $1,727,796 for its proportionate share of the net pension liability of the System. The net pension liability was measured as of March 31, 2017, and the total pension liability was determined by an actuarial valuation as of April 1, 2016. The Village's proportion of the net pension liability was based on the ratio of its actuarially determined employer contribution to the System's total actuarially determined employer contribution for the fiscal year ended on the measurement date.

At the March 31, 2017 measurement date, the Village's proportionate share in the ERS was 0.0137194% and the PFRS was 0.0211656%.

For the year ended July 31, 2017, the Village recognized pension expense of $952,636. At July 31, 2017, the Village reported deferred outflows of resources and deferred inflows of resources as follows:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 80,161	$ 212,827
Changes of assumptions	524,408	-
Net differences between projected and actual investment earnings on pension plan investments	245,759	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	15,580	140,792
Total	$ 865,908	$ 353,619

	Business-Type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 9,691	$ 58,727
Changes of assumptions	132,122	-
Net differences between projected and actual investment earnings on pension plan investments	77,246	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,329	19,952
Total	$ 225,388	$ 78,679

Note 9 - New York State Retirement System - Continued

d. Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - Continued

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Governmental Activities	Business Type-Activities	Total
Year ending July 31,			
2018	$ 220,058	$ 67,098	$ 287,156
2019	220,058	67,098	287,156
2020	212,888	66,121	279,009
2021	(146,129)	(53,608)	(199,737)
2022	5,414	-	5,414
Total	$ 512,289	$ 146,709	$ 658,998

Actuarial Assumptions

The total pension liability at March 31, 2017 was determined by using an actuarial valuation as of April 1, 2016, with updated procedures used to roll forward the total pension liability to March 31, 2017. Significant actuarial assumptions used in the valuation were as follows:

	ERS	PFRS
Investment rate of return (net of investment expense, including inflation)	7.0%	7.0%
Salary scale	3.8%	4.5%
Inflation	2.5%	2.5%
Cost of living adjustments	1.3%	1.3%

Annuitant mortality rates are based on April 1, 2010 - March 31, 2015 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014.

Actuarial assumptions used in the April 1, 2016 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Note 9 - New York State Retirement System - Continued

Investment Asset Allocation

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of the applicable valuation dates are summarized as follows:

Asset Type	Target Allocation	Long-Term Expected Real Rate
Domestic equity	36.00%	4.55%
International equity	14.00%	6.36%
Private equity	10.00%	7.75%
Real estate	10.00%	5.80%
Absolute return strategies	2.00%	4.00%
Opportunistic portfolio	3.00%	5.89%
Real assets	3.00%	5.54%
Bonds and mortgages	17.00%	1.31%
Cash	1.00%	-0.25%
Inflation-Indexed bonds	4.00%	1.50%
	100.00%	

e. *Discount Rate*

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

f. *Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption*

The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount (7.0%)	1% Increase (8.0%)
Village's proportionate share of the net pension liability (asset)			
Proprietary Activities	$ 1,235,146	$ 386,732	$ (330,600)
Governmental Activities	4,125,664	1,341,064	(1,007,883)
	$ 5,360,810	$ 1,727,796	$ (1,338,483)

Note 9 - New York State Retirement System - Continued

g. Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2017 were as follows:

	(Dollars in Thousands)		
	ERS	PFRS	Total
Employers' total pension liability	$ 177,400,586	$ 31,670,483	$ 209,071,069
Plan net position	(168,004,363)	(29,597,831)	(197,602,194)
Employers' net pension liability	$ 9,396,223	$ 2,072,652	$ 11,468,875
Ratio of plan net position to the employers' total pension liability	94.7%	93.5%	94.5%

Note 10 - Retiree Health Plan

a. Plan Description

The Village contributes toward eligible retirees' health insurance. In order to be eligible for health insurance benefits upon retirement, an employee must have ten consecutive years of service with the Village, be eligible to activate their retirement benefits provided by the New York State Retirement System, have coverage through a plan approved by the Village at the time of retirement and be eligible for continuation of said plan upon retirement, not have health insurance through any other source except Medicare, and not be eligible for coverage through a spouse or domestic partner.

The Village does not allow continued family or two-person coverage for eligible dependents who were not covered at the time of retirement. Retirees are responsible for any premium rates for dependents added after the time of retirement.

b. Funding Policy

The Village funds the retiree health plan as premiums become due on a pay-as-you-go basis. The amount of the Village's contribution toward a retiree's health is determined by the retiree's "Eligibility Number." The Eligibility Number is calculated at the time of the employee's retirement by adding the employee's age at the time of retirement plus continuous years of service. Eligibility Numbers below 60 result in no qualifying retiree health benefit. Eligibility Numbers of 80 or higher result in the maximum benefit of 90% coverage of retiree health insurance.

The Village's retiree health insurance contributions for the current year and the two preceding years were:

2017	$ 661,353
2016	705,316
2015	528,283

Note 11 - Commitments, Contingencies, Risks, and Uncertainties

a. Grant Programs

The Village participates in a number of grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The Village believes, based upon its review of current activity and prior experience, the amount of disallowances resulting from these audits, if any, will not be significant to the Village's financial position or results of operations.

b. Insurance Risk

The Village is exposed to various risks for loss for which it carries insurance. There have been no significant reductions in coverage from the previous year, and there have been no settlements during the year which have exceeded the insurance coverage.

Most of the Village's insurance, including workers' compensation, is covered through annual policies with third-party companies. The Village has an unemployment self-insurance fund.

c. Legal Matters

The Village is subject to lawsuits in the ordinary conduct of its affairs. The Village, upon review by the Village Attorney, does not believe, however, that such suits, individually or in the aggregate, are likely to have a material adverse effect on the financial condition of the Village.

d. Power Supply Contracts

Electric power distributed by the Electric Fund is obtained from NYPA under a supply contract that expires during 2025. The Electric Fund is entitled to a specific amount of kilowatts of firm hydroelectric power and associated energy. Demand, energy, and transmission charges under this contract are subject to change and approval of regulatory authorities. There are no minimum capacity or other fixed charge components to this contract. Electric purchases under this contract totaled $2,574,196 for the year ended July 31, 2017. The Electric Fund pays NYPA for its electric power on a budget payment basis. At July 31, 2017, the Electric Fund has made budget payments in excess of actual charges, accordingly, the Electric Fund has recorded a receivable from NYPA, totaling $798,628 at July 31, 2017. This receivable is included as due from other governments in these financial statements.

The Electric Fund also maintains an agreement with National Grid for the transmission of electric capacity. The agreement is open ended, with no termination date. Transmission costs under this agreement totaled $1,181,469 for the year ended July 31, 2017.

e. Risks and Uncertainties

The Electric Fund is subject to certain business risks that could have a material impact on future operations and financial performance. These risks include prices on the wholesale markets for short-term power transactions; water conditions, weather, and natural disaster disruptions; collective bargaining labor disputes and governmental regulation.

Note 11 - Commitments, Contingencies, Risks, and Uncertainties - Continued

f. Environmental Risks

Certain facilities are subject to federal, state, and local regulations relating to the discharge of materials into the environment. Compliance with these provisions has not had, nor does the Village expect such compliance to have, any material effect upon the capital expenditures or financial condition of the Village. The Village believes that its current practices and procedures for control and disposition of regulated wastes comply with applicable federal, state, and local requirements.

Note 12 - Subsequent Events

Effective August 1, 2017, the Village adopted new rates for users of the Water Fund.

Note 13 - Accounting Pronouncements Issued But Not Yet Implemented

The Village has not implemented the following accounting pronouncements that are required for financial statements presented in accordance with U.S. GAAP, but may not be required for financial reporting to OSC.

Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension* (GASB No. 75). GASB No. 75 establishes financial reporting standards for other postemployment benefits (OPEB) plans for state and local governments. This standard replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended. The statement establishes standards for recognizing and measuring liabilities, deferred inflows and outflows of resources, and expense/expenditures, as well as identifying the methods and assumptions required to project benefit payments, discount projected benefit payments, to their actuarial present value, and attribute that present value to periods of employee service. Additionally, GASB No. 75 lays out requirements for additional note disclosures and required supplementary information. These requirements are effective for fiscal years beginning after June 15, 2017.

GASB Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73.* The objective of this statement is to address certain issues that have been raised with respect to GASB Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68.* Specifically, this statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of this statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end, which are effective for reporting periods beginning after March 31, 2018.

Note 13 - Accounting Pronouncements Issued But Not Yet Implemented - Continued

GASB Statement No. 83, *Certain Asset Retirement Obligations*. This statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this statement. The requirements of this statement are effective for reporting periods beginning after June 15, 2018.

GASB Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 87, *Leases*. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and the recognition of inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for reporting periods beginning after December 15, 2019.

The Village's management is not yet able to estimate the extent of the potential impact of these statements on the financial statements.

BST
ACCOUNTING TAX ADVISORY

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Board of Trustees
Lake Placid Village, Inc.
Lake Placid, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of each governmental fund, the proprietary fund, the fiduciary fund, and each account group of Lake Placid Village, Inc. (Village), as of and for the year ended July 31, 2017, and the related notes to the financial statements, which collective comprise the Village's regulatory basis financial statements, and have issued our report thereon dated January 24, 2018, which contained adverse opinions on accounting principles generally accepted in the United States of America and unmodified opinions on the regulatory basis of accounting.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BST & Co. CPAs, LLP

Albany, New York
January 24, 2018

BST
ACCOUNTING TAX ADVISORY

January 24, 2018

Mayor and Board of Trustees
Lake Placid Village, Inc.
2693 Main Street
Lake Placid, New York 12946

Dear Mayor and Members of the Board:

We are pleased to present this report related to our audit of the regulatory basis financial statements of Lake Placid Village, Inc. (Village) as of and for the year ended July 31, 2017. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for Village's financial reporting process.

This report is intended solely for the information and use of the Mayor, Board of Trustees and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to the Village.

Very truly yours,

BST & Co. CPAs, LLP

William C. Freitag, Partner

WCF/dmc

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Albany, NY / New York, NY

BST
ACCOUNTING TAX ADVISORY

Lake Placid Village, Inc.

Communication With Those Charged With Governance
Year Ended July 31, 2017

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the regulatory basis financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Our Responsibilities With Regard to the Regulatory Basis Financial Statement Audit

Our responsibilities under auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States have been described to you in our arrangement letter dated January 23, 2018. Our audit of the regulatory basis financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

Overview of the Planned Scope and Timing of the Regulatory Basis Financial Statement Audit

We have issued a separate communication regarding the planned scope and timing of our audit and have discussed with you our identification of, and planned audit response to, significant risks of material misstatement. Our audit of the regulatory basis financial statements does not relieve management or those charged with governance of their responsibilities which are also described in that letter.

Accounting Policies and Practices

Preferability of Accounting Policies and Practices

While the New York State Office of the State Comptroller (OSC) believes that financial statements prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34 result in improved financial reporting by local governments, it recognizes that implementation requires additional resources, which may not be cost justified. Accordingly, the OSC encourages, but does not require, all local governments to implement the provisions of GASB No. 34 to meet the reporting requirements of General Municipal Law. Management has determined that the regulatory basis of accounting, which does not meet the requirements of GASB No. 34, as amended, is the appropriate basis of accounting for the Village based on the specific needs and requirements of the oversight agency it reports to, and the limitations on resources allocated to accounting and financial reporting.

Adoption of, or Change in, Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Village. Following is a description of significant accounting policies the Village adopted during the year to comply with accounting principles generally accepted in the United States of America (U.S. GAAP):

Accounting Policies and Practices - Continued

Adoption of, or Change in, Accounting Policies - Continued

Government Accounting Standard Board (GASB) Statement No. 72, *Fair Value Measurement and Application* (GASB No. 72). GASB No. 72 defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information should be disclosed in the notes to the regulatory basis financial statements.

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* (GASB No. 73). GASB No. 73 established requirements for defined benefit pensions that are not within the scope of Statement No. 69, *Accounting and Financial Reporting for Pensions,* as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement No. 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans,* and Statement No. 68 for pension plans and pensions that are within their respective scopes.

GASB Statement No 76, *Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* (GASB No. 76). This statement identifies the hierarchy of U.S. GAAP in the context of governmental financial reporting. This statement reduces the hierarchy of U.S. GAAP to two categories of authoritative U.S. GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specific with a source of authoritative U.S. GAAP.

GASB Statement No. 77, *Tax Abatement Disclosures* (GASB No. 77). GASB No. 77 requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

- Brief descriptive information such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients.
- The gross dollar amount of taxes abated during the period.
- Commitments made by the government, other than to abate taxes, as part of the tax abatement agreement.

GASB Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans* (GASB No. 78). This statement amends the scope and applicability of GASB No. 68 to exclude pension plans provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that is:

- Not a state or local government pension plan,
- Used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governments, and
- Not used predominantly by a state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan).

Accounting Policies and Practices - Continued

Adoption of, or Change in, Accounting Policies - Continued

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants.* This statement enhances comparability of financial statements amount governments by establishing specific criteria used to determine whether a qualifying external investment pool may elect to use an amortized cost exception to fair value measurement. Those criteria will provide qualifying external investment pools and participants in those pools with consistent application of an amortized cost based measurement for financial reporting purposes. That measurement approximates fair value and mirrors the operations of external investment pools that transact with participants at a stable net asset value per share.

Significant or Unusual Transactions

We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Management's Judgments and Accounting Estimates

Summary information about the process used by management in formulating particularly sensitive accounting estimates and about our conclusions regarding the reasonableness of those estimates is in the attached Exhibit A, Summary of Significant Accounting Estimates.

Audit Adjustments

Audit adjustments proposed by us and recorded by the Village are shown on the attached Exhibit B, Summary of Recorded Audit Adjustments.

Uncorrected Misstatements

Uncorrected misstatements are summarized in the attached in Exhibit C, Summary of Uncorrected Misstatements

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the regulatory basis financial statements.

Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Lake Placid Village, Inc.

Communication With Those Charged With Governance
Year Ended July 31, 2017

Significant Issues Discussed with Management

No significant issues arising from the audit were discussed with or the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit

We did not encounter any significant difficulties in dealing with management during the audit.

Significant Written Communications Between Management and Our Firm

Copies of significant written communications between our firm and the management of the Village, including the representation letter provided to us by management, are attached as Exhibit D.

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Lake Placid Village, Inc.

Summary of Significant Accounting Estimates
Year Ended July 31, 2017

Accounting estimates are an integral part of the preparation of regulatory basis financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following describes the significant accounting estimates reflected in the Village's July 31, 2017 regulatory basis financial statements:

Estimate	Accounting Policy	Estimation Process
Reserve for Uncollectible Receivables	Account receivable balances determined to be uncollectible are reduced down to their net realizable value.	Management estimates the reserve for uncollectible receivable balances using historical collection practices and their knowledge of the factors that impact individual receivable balances.
Reserve for Obsolete Inventory - Electric	Inventory that cannot be used in electric related activities is written down to net realizable value and/or disposed of, as considered necessary.	Management reviews the composition of inventory on a periodic basis to determine whether any obsolete items exist. Management considers recent technology trends and historical usage when evaluating obsolete inventory.
Net Pension Liability	The Village recognizes its proportionate share of the New York State and Local Employees' Retirement System net pension liability on the accrual basis of accounting in the proprietary fund and non-current governmental liabilities account group.	The Village's net pension liability is estimated by the New York State Office of the State Comptroller using census data supplied by participating employers and various actuarial assumptions, including but not limited to, rate of return, mortality, and inflation. The Village's proportionate percentage of the net pension liability is determined on an annual basis.

We have evaluated management's significant accounting estimates noted above as part of our audit, and concluded that management's estimates and the estimation process appear reasonable in the context of the regulatory basis financial statements taken as a whole.

Exhibit B

Lake Placid Village, Inc.

Summary of Recorded Audit Adjustments
Year Ended July 31, 2017

	Effect - Increase (Decrease)				
Description	Assets	Liabilities	Fund Balance/ Net Position	Revenue	Expenditure/ Expenses
General Fund					
To adjust interfund balances	$ (63,246)	$ 32,654	$ -	$ -	$ 95,900
To adjust trolley revenues	96,822	-	-	96,822	-
To adjust tax re-levy and interfund balances	(28,092)	161,666	-	(189,758)	-
To adjust accrued payroll	-	119,475	-	-	119,475
To adjust accounts payable	32,234	32,234	-	-	-
To adjust bond refunding	-	29,000	-	-	29,000
Revolving Loan Fund					
To adjust interfund balances	-	(25,000)	-	-	(25,000)
Water Fund					
To adjust accrued payroll	-	15,402	-	-	15,402
To adjust accounts payable	-	3,196	-	-	3,196
Sewer Fund					
To adjust Environmental Facilities Corporation proceeds	(80,000)	-	-	-	80,000
To adjust accrued payroll	-	16,705	-	-	16,705
To adjust accounts payable	-	39,716	-	-	39,716
Capital Projects Fund					
To adjust Environmental Facilities Corporation proceeds	(186,250)	-	-	-	186,250
To adjust accounts payable	-	3,974	-	-	3,974
To adjust bond issuance	-	200,000	-	(200,000)	-
To adjust bond refunding	-	(163,120)	-	163,120	-
Electric Fund					
To record contributions to the General Fund	-	-	(51,722)	51,722	-
To adjust accrued liabilities	-	38,246	-	-	38,246
To adjust power billings	737,442	-	-	-	(737,442)
To adjust bond issuance	200,000	200,000	-	-	-
To adjust misposting	(4,415)	-	-	-	4,415
To adjust accounts receivable	(1,956)	-	-	-	1,956
To adjust depreciation	(17,716)	-	-	-	17,716
To adjust utility plant	(45,913)	-	-	-	45,913
To adjust accrued payroll	-	13,939	-	-	13,939
To adjust unearned revenues	-	129,979	-	(129,979)	-
To adjust interfund balances	(70,000)	(70,000)	-	-	-
To adjust allowance for doubtful accounts	(9,751)	-	-	-	9,751
Fiduciary Fund					
To adjust agency liabilities	(143,947)	(143,947)	-	-	-
Government-wide					
To adjust capital leases	(18,308)	(18,308)	-	-	-
To adjust vacation accrual	(20,499)	(20,499)	-	-	-
To adjust bonds payable	1,583,940	1,583,940	-	-	-
Total Combined Statement of Activities Effect			(167,185)	$ (208,073)	$ (40,888)
Total Combined Statement of Net Position Effect	$ 1,960,345	$ 2,179,252	$ (218,907)		

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Exhibit C

Lake Placid Village, Inc.

Summary of Uncorrected Misstatements
Year Ended July 31, 2017

During the course of our audit, we accumulated uncorrected misstatements that were determined by management to be immaterial, both individually and in the aggregate, to the statements of financial position, results of operations, and cash flows and to the related regulatory basis financial statement disclosures. Following is a summary of those differences:

	Effect - Increase (Decrease)				
Description	Assets	Liabilities	Fund Balance	Revenues	Expense
Cumulative Carryover Impact From Previous Years					
Water Fund					
Projection of unrecorded liabilities	$ -	$ -	$ (4,466)	$ -	$ (4,466)
Current Year Uncorrected Misstatements					
General Fund					
Projection of unrecorded liabilities	-	(5,293)	-	-	(5,293)
Sewer Fund					
Projection of misstated departmental revenues	(30,328)	-	-	(30,328)	-
Electric Fund					
Projection of unrecorded liabilities	-	8,717	-	-	8,717
Total Statement of Revenues, Expenditures, and Changes in Fund Balances Effect			(29,286)	$ (30,328)	$ (1,042)
Balance Sheet Effect	$ (30,328)	$ 3,424	$ (33,752)		

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Exhibit D

Lake Placid Village, Inc.

Significant Written Communications
Between Management and our Firm
Year Ended July 31, 2017

Representation Letter

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JANET H. BLISS
Village Attorney

ANITA A. ESTLING
Village Clerk
LPClerk@villageoflakeplacid.ny.gov

PAUL J. ELLIS
Village Treasurer/CFO
Treasurer@villageoflakeplacid.ny.gov

LAKE PLACID VILLAGE, INC.

2693 MAIN STREET LAKE PLACID, NEW YORK 12946 PHONE 518-523-2597 FAX 518-523-1362

January 24, 2018

BST & Co. CPAs, LLP
26 Computer Drive West
Albany, New York 12205

This representation letter is provided in connection with your audit of the regulatory basis financial statements of Lake Placid Village, Inc. (Village) as of and for the year ended July 31, 2017, for the purpose of expressing an opinion on whether the regulatory basis financial statements are presented fairly, in all material respects, in accordance with accounting principles permitted by the New York State Office of the State Comptroller and prescribed by the New York Power Authority for preparing and submitting annual financial reports to those offices.

We confirm, to the best of our knowledge and belief, that as of January 24, 2018:

Regulatory Basis Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated January 23, 2018, for the preparation and fair presentation of the regulatory basis financial statements referred to above in accordance with the accounting and reporting practices permitted by the New York State Office of the State Comptroller and prescribed by the New York Power Authority.

2. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the regulatory basis financial statements that are free from material misstatement, whether due to fraud or error.

3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.

5. Related-party transactions have been appropriately accounted for and disclosed in accordance with the accounting and reporting practices permitted by the New York State Office of the State Comptroller and prescribed by the New York Power Authority.

6. All events subsequent to the date of the regulatory basis financial statements, and for which the accounting and reporting practices permitted by the New York State Office of the State Comptroller and prescribed by the New York Power Authority, have been adjusted or disclosed.

7. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with the accounting and reporting practices permitted by the New York State Office of the State Comptroller and prescribed by the New York Power Authority.

8. We have not completed the process of evaluating the effect that will result from adopting the guidance in Governmental Accounting Standards Board (GASB) Statements as discussed in Note 13. The Village is, therefore, unable to disclose the effect that adopting the guidance in these GASB Statements will have on its financial position and results of operations when such guidance is adopted.

9. We believe that all loans made from the Village's Revolving Loan Fund are collectible in full, and therefore, do not require a provision for bad debts.

10. We agree with the findings of specialists in evaluating the net pension liability. We have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the regulatory basis financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an effect on the independent or objectivity of the specialists.

11. We believe that the actuarial assumptions and methods used to measure the net pension liability for financial accounting purposes is appropriate in the circumstances.

12. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, line-of-credit, or similar arrangements have been properly disclosed.

13. We have no direct or indirect, legal or moral, obligation for any debt of any organization, public or private, that is not disclosed in the regulatory basis financial statements.

14. We have complied with all aspects of contractual agreements that would have a material effect on the regulatory basis financial statements in the event of noncompliance. In connection therewith, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act because we have not received, expended or otherwise been the beneficiary of the required amount of federal awards during the period of this audit.

15. As of and for the year ended July 31, 2017, we believe that the effects of the uncorrected misstatements aggregated by you and summarized below are immaterial, both individually and in the aggregate, to the regulatory basis financial statements. For purposes of this representation, we consider items to be material, regardless of their size, if they involve the misstatement or omission of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

Description	Assets	Liabilities	Fund Balance	Revenues	Expense
	Effect - Increase (Decrease)				
Cumulative Carryover Impact From Previous Years					
Water Fund					
Projection of unrecorded liabilities	$ -	$ -	$ (4,466)	$ -	$ (4,466)
Current Year Uncorrected Misstatements					
General Fund					
Projection of unrecorded liabilities	-	(5,293)	-	-	(5,293)
Sewer Fund					
Projection of misstated departmental revenues	(30,328)	-	-	(30,328)	-
Electric Fund					
Projection of unrecorded liabilities	-	8,717	-	-	8,717
Total Statement of Revenues, Expenditures, and Changes in Fund Balances Effect			(29,286)	$ (30,328)	$ (1,042)
Balance Sheet Effect	$ (30,328)	$ 3,424	$ (33,752)		

Information Provided

16. We have provided you with:

    a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the regulatory basis financial statements such as records, documentation, and other matters;

    b. Additional information that you have requested from us for the purpose of the audit;

    c. Unrestricted access to persons within the Village from whom you determined it necessary to obtain audit evidence; and

    d. Minutes of the meetings of the trustees, and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.

17. All transactions have been recorded in the accounting records and are reflected in the regulatory basis financial statements.

18. We have disclosed to you the results of our assessment of risk that the regulatory basis financial statements may be materially misstated as a result of fraud.

19. We have no knowledge of allegations of fraud or suspected fraud affecting the Village's regulatory basis financial statements involving:

    a. Management.

    b. Employees who have significant roles in internal control.

    c. Others where the fraud could have a material effect on the regulatory basis financial statements.

20. We have no knowledge of any allegations of fraud or suspected fraud affecting the Village's regulatory basis financial statements received in communications from employees, former employees, analysts, regulators, short sellers or others.

21. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations whose effects were considered when preparing the regulatory basis financial statements.

22. We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the regulatory basis financial statements, and we have not consulted legal counsel concerning litigation or claims.

23. We have disclosed to you the identity of the Village's related parties and all the related-party relationships and transactions of which we are aware.

24. We have informed you of all significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Village's ability to record, process, summarize and report financial data.

25. We are aware of no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

Compliance Considerations

26. In connection with your audit conducted in accordance with *Government Auditing Standards*, we confirm that management:

    a. Is responsible for the preparation and fair presentation of the regulatory basis financial statements in accordance with the applicable financial reporting framework.

    b. Is responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the Village.

    c. Has identified and disclosed to you all instances that have occurred, or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the regulatory basis financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

    d. Has identified and disclosed to you all instances that have occurred, or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that have a material effect on the determination of regulatory basis financial statement amounts.

    e. Has identified and disclosed to you all instances that have occurred, or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the regulatory basis financial statements.

    f. Is responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the regulatory basis financial statements that are free from material misstatement, whether due to fraud or error.

    g. Acknowledges its responsibility for the design, implementation, and maintenance of internal controls to prevent and detect fraud.

    h. Has taken timely and appropriate steps to remedy fraud; noncompliance with provisions of laws, regulations, contracts and grant agreements; or abuse that you report.

    i. Has a process to track the status of audit findings and recommendations.

    j. Has identified to you previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

k. Has provided views on your reported findings, conclusions, and recommendations, as well as management's planned corrective actions, for the report.

l. Acknowledges its responsibilities as they relate to non-audit services performed by you, including a statement that it assumes all management responsibilities; that it oversees the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge or experience; that it evaluates the adequacy and results of the services performed; and that it accepts responsibility for the results of the services.

27. During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

Very truly yours,

LAKE PLACID VILLAGE, INC.

Craig H. Randall, Mayor

Paul Ellis, Treasurer

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ACCOUNTING TAX ADVISORY

Board of Trustees and Management
Lake Placid Village, Inc.
Lake Placid, New York

In planning and performing our audit of the regulatory basis financial statements of Lake Placid Village, Inc. (Village) as of and for the year ended July 31, 2017, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the regulatory basis financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village's regulatory basis financial statements will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Following is a description of identified deficiencies in internal control that we determined did not constitute significant deficiencies or material weaknesses:

Financial Record Preparation

Finding: The financial records of the Village required a number of adjusting and reclassifying entries to properly state various account balances on the regulatory basis of accounting as permitted by the New York State Office of the State Comptroller and prescribed by the New York Power Authority. Significant assistance was required for the $4.25 million debt refunding and other debt financing type transactions.

Recommendation: We recommend management of the Village schedule a debriefing with the auditor in advance of the year-end closing process. During this session, management and the auditor should work toward assembling a year-end account closing checklist, and documentation that should be assembled to support amounts reported in the Village's accounting records.

Sewer Fund Revenues

Finding: During our audit testing, we selected a sample of utility billings paid by users of the Sewer Fund. During this testing, we noted an error in the calculation of an amount due from a certain user. Upon further investigation, it was determined a manual input error occurred when the user's account was first established within the Sewer Fund billing system, resulting in the calculation of total amounts due to the Sewer Fund to be incorrect.

Recommendation: While management believes this error is isolated, we recommend management implement controls to ensure all new users of the Sewer Fund are accurately recorded within the Sewer Fund billing system. Further, while we found no additional errors upon increasing our sample size, we recommend management perform a review to ensure user charges are being accurately calculated.

This communication is intended solely for the information and use of management, the Village Board of Trustees, and others within the Village, and is not intended to be, and should not be, used by anyone other than these specified parties.

BST & Co. CPAs, LLP

Albany, New York
January 24, 2018