

PRELIMINARY OFFICIAL STATEMENT

RENEWALS

BOND ANTICIPATION NOTES

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes. See "TAX MATTERS" herein.

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

\$2,800,000

**WESTPORT FIRE DISTRICT
IN THE TOWN OF WESTPORT
ESSEX COUNTY, NEW YORK
GENERAL OBLIGATIONS**

**\$2,800,000 Bond Anticipation Notes, 2021 (Renewals)
(the "Notes")**

Dated: March 25, 2021

Due: March 25, 2022

The Notes are general obligations of the Westport Fire District in the Town of Westport, Essex County, New York (the "Fire District"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein. The Notes are to be issued without the option of prior redemption.

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

If the Notes are issued registered in the name of the purchaser, a single note certificate will be issued for those Notes of an issue bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the Fire District. Paying agent fees, if any, will be the responsibility of the purchaser should the purchaser choose to engage any.

If the Notes are issued in book-entry-only form, such notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the Fire District to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Fire District will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. (See "BOOK-ENTRY-ONLY SYSTEM" herein).

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the approving legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel. It is anticipated that the Notes will be available for delivery through the facilities of DTC in Jersey City, New Jersey, or as may be agreed upon, on or about March 25, 2021.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on March 11, 2021 until 11:00 A.M., Eastern Time, pursuant to the Notice of 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 Fire District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale.

March 2, 2021

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

**WESTPORT FIRE DISTRICT
IN THE TOWN OF WESTPORT
ESSEX COUNTY, NEW YORK**

BOARD OF FIRE COMMISSIONERS

ADAM PERRY
CHAIRPERSON

JAMES RULE, COMMISSIONER
KEVEN SEVERANCE, COMMISSIONER
JOHN NAPPER, COMMISSIONER

* * * * *

LILIA ANSON
Treasurer

ZOE SHERMAN
Secretary



FISCAL ADVISORS & MARKETING, INC.
Fire District Municipal Advisors



ORRICK, HERRINGTON & SUTCLIFFE LLP
Bond Counsel

No person has been authorized by the Fire District 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 Notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Fire District.

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PREPARED WITH THE ASSISTANCE OF



Fiscal Advisors & Marketing, Inc.
 250 South Clinton Street, Suite 502
 Syracuse, New York 13202
 (315) 752-0051
www.fiscaladvisors.com

OFFICIAL STATEMENT
OF THE
WESTPORT FIRE DISTRICT
IN THE TOWN OF WESTPORT
ESSEX COUNTY, NEW YORK

Relating To
\$2,800,000 Bond Anticipation Notes, 2021 (Renewals)

This Official Statement, which includes the cover page and appendices, has been prepared by the Westport Fire District in the Town of Westport, Essex County, New York (the "Fire District", "Town," "County," and "State," respectively) in connection with the sale by the Fire District of \$2,800,000 Bond Anticipation Notes, 2021 (Renewals) (referred to herein as the "Notes").

The factors affecting the Fire District's financial condition and the Notes are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the Fire District'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 and acts and proceedings of the Fire District contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the Notes and the proceedings of the Fire District relating thereto are qualified in their entirety by reference to the definitive forms of the Notes and such proceedings.

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 Town management's beliefs as well as assumptions made by, and information currently available to, the Town's management and staff. This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that are highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the Town's overall economic situation and outlook (and all of the specific Town-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which are extremely difficult to predict and quantify. See "THE TOWN-State Aid" and "MARKET AND RISK FACTORS" herein.

NATURE OF OBLIGATION

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

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

The Notes will be general obligations of the Fire District and will contain a pledge of the faith and credit of the Fire District for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the Fire District has power and statutory authorization to levy ad valorem taxes on all real property within the Fire District subject to such taxation by the Fire District, subject to applicable statutory limitations.

Although the State Legislature is restricted by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay "interest on or principal of indebtedness theretofore contracted" prior to the effective date of any such legislation, the State Legislature may from time to time impose additional limitations or requirements on the ability to increase a real property tax levy or on the methodology, exclusions or other restrictions of various aspects of real property taxation (as well as on the ability to issue new indebtedness). Chapter 97 of the Laws of 2011, as amended (the "Tax Levy Limitation Law") applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities and school districts to levy certain year-to-year increases in real property taxes.

Under the Constitution of the State, the Fire District is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the Fire District's power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See "TAX LEVY LIMITATION LAW" herein.

The Constitutionally-mandated general obligation pledge of municipalities and school districts in the State has been interpreted by the Court of Appeals, the State's highest court, in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), as follows:

“A pledge of the City’s faith and credit is both a commitment to pay and a commitment of the City’s revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City’s “faith and credit” is secured by a promise both to pay and to use in good faith the City’s general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, “faith” and “credit”, are used and they are not tautological. That is what the words say and this is what the courts have held they mean.... So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the City’s power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted.... While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded”.

In addition, the Court of Appeals in the Flushing National Bank (1976) case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of political subdivisions in the State.

The pledge has generally been understood as a promise to levy property taxes without limitation as to rate or amount to the extent necessary to cover debt service due to language in Article VIII Section 10 of the Constitution which provides an exclusion for debt service from Constitutional limitations on the amount of a real property tax levy, insuring the availability of the levy of property tax revenues to pay debt service. As the Flushing National Bank (1976) Court noted, the term “faith and credit” in its context is “not qualified in any way”. Indeed, in Flushing National Bank v. Municipal Assistance Corp., 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, “with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations.” According to the Court in Quirk, the State Constitution “requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness.”

In addition, the Constitution of the State requires that every county, city, town, village, and school district in the State provide annually by appropriation for the payment of all interest and principal on its serial bonds and certain other obligations, and that, if at any time the respective appropriating authorities shall fail to make such appropriation, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. In the event that an appropriating authority were to make an appropriation for debt service and then decline to expend it for that purpose, this provision would not apply. However, the Constitution of the State also provides that the fiscal officer of any county, city, town, village, or school district may be required to set apart and apply such first revenues at the suit of any holder of any such obligations.

In Quirk v. Municipal Assistance Corp., the Court of Appeals described this as a “first lien” on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in the State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy to pay debt service on such obligations, but that such pledge may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues.

Investors should note that these Constitutional provisions do not, by their terms, apply to fire districts; however, such cases do provide judicial interpretations of the faith and credit pledge which is required of fire districts by section 100.00 of the Local Finance Law.

While the courts in the State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold.

THE NOTES

Description of the Notes

The Notes are general obligations of the Fire District, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the Fire District is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limits imposed by Chapter 97 of the Laws of 2011 of the State of New York. See "TAX LEVY LIMITATION LAW" herein.

The Notes are dated March 25, 2021 and will mature, without option of prior redemption, on March 25, 2022. Interest on the Notes will be calculated on a 30-day month and 360-day year basis.

The Notes will be issued in registered form at the option of the Purchaser(s) either (i) requested in the name of the purchaser, in denominations of \$5,000 or integral multiples thereof, as may be determined by the successful bidder(s); or (ii) registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC") which will act as the securities depository for the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Purpose of Issue

The Notes are issued pursuant to the Constitution and statutes of New York State, including among others, the Town Law and the Local Finance Law, and a bond resolution adopted on November 4, 2019 by the Board of Fire Commissioners authorizing the issuance of up to \$2,800,000 serial bonds to finance a portion of the cost of the construction of a new fire station at a maximum cost of \$3,200,000. On March 26, 2020, the District issued \$2,800,000 bond anticipation notes for the abovementioned purpose. The District also plans to sell the current fire station's building upon completion of the new fire station.

The proceeds of the Notes will provide \$2,800,000 to fully redeem and renew the currently outstanding \$2,800,000 bond anticipation notes.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Notes, if requested. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for Notes bearing the same rate of interest and CUSIP number, and will be deposited with DTC.

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

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

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

Redemption notices shall be sent to DTC. If less than all of the Notes 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 Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts 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 Fire District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Fire District, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

Source: The Depository Trust Company.

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

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

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE FIRE DISTRICT 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 Notes

DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the Fire District and discharging its responsibilities with respect thereto under applicable law, or the Fire District may terminate its participation in the system of book-entry-only system transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply:

The Notes will be issued in registered certificated form registered in the name of the Purchaser in denominations of \$5,000 or integral multiples thereof. Principal of and interest on the Notes will be payable at the Fire District. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE FIRE DISTRICT

General Information

The Fire District is located within the Town of Westport (the “Town”) which is situated on Lake Champlain, in the Adirondack Park, and near the Green Mountains of Vermont. The Town is on the eastern border of Essex County and is 41 miles south of Plattsburgh and 103 miles south of Montreal, Quebec, Canada. Westport is the birthplace of the Adirondack chair.

The center of the Town is four miles east of Exit 31 (Westport) of Interstate #87 (The Adirondack Northway). The Town is also accessible via the Crown Point Bridge and the Essex-Charlotte Ferry. The Town is serviced by the Adirondack branch of Amtrak with a station located in the Town. The Essex County Fairgrounds, located within the Town, hosts various events during the year, including the Essex County Fair.

The Fire District provides fire protection services to approximately 1,107 people living in an area of 66.8 square miles. The Fire District operates out of two Fire Stations and protects a primarily residential area. The Fire District is a public department whose members are volunteers from the Westport Hose Company No. 1 and the Wadhams Volunteer Fire Company.

Population Trends

	<u>Town of Westport</u>	<u>Essex County</u>	<u>New York State</u>
1970	1,453	34,631	18,236,882
1980	1,439	36,176	17,558,072
1990	1,446	37,152	17,990,455
2000	1,362	38,851	18,976,457
2010	1,312	39,370	19,392,283
2017 (estimated)	1,244	37,487	19,849,399
2018 (estimated)	1,140	37,288	19,542,209
2019 (estimated)	1,107	36,885	19,453,561

Source: U. S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

Selected Wealth and Income Indicators

Per capita income statistics are available for the Town, County and State. Listed below are select figures from the 2000, 2006-2010 and 2015-2019 Census reports.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2015-2019</u>	<u>2000</u>	<u>2006-2010</u>	<u>2015-2019</u>
Towns of:						
Westport	\$ 22,063	\$ 23,243	\$ 37,846	\$ 49,917	\$ 57,813	\$ 76,875
County of:						
Essex	18,194	24,390	31,667	41,927	55,781	68,490
State of:						
New York	23,389	30,948	39,326	51,691	67,405	84,385

Note: 2016-2020 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2015-2019 American Community Survey data.

Unemployment Rate Statistics

Unemployment statistics are not available for the Town. The information set forth below with respect to the County is included for informational 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 Town, or vice versa.

	<u>Annual Average</u>							
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Essex County	8.3%	6.9%	6.0%	5.3%	5.5%	4.9%	4.7%	8.0%
New York State	7.7%	6.3%	5.3%	4.9%	4.7%	4.1%	4.0%	10.0%

	<u>Monthly Figures</u>											
	<u>2020</u>											<u>2021</u>
	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>
Essex County	5.8%	6.2%	17.1%	11.6%	10.3%	10.5%	7.5%	4.6%	5.1%	5.1%	5.9%	N/A
New York State	3.9%	4.2%	15.1%	14.2%	15.5%	16.0%	12.5%	9.3%	9.0%	8.1%	8.1%	N/A

Note: Unemployment rates for January 2021 are currently unavailable of the date of this Official Statement.

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

Form of Fire District Government

The Fire District is governed by a five member Board of Fire Commissioners who are elected to five-year terms on a rotating basis. The Chairman of the Board is elected by the Commissioners at the Organizational Meeting each year. The Treasurer is elected to a three-year term and the Fire District Secretary is appointed to a one-year term annually by the Commissioners at the Organizational Meeting. A 99% volunteer force and 1% paid staff is responsible for the operation of the equipment and apparatus within the Fire District.

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Approximate Employees</u>
Camp Dudley	Summer Camp	75 ⁽¹⁾
Bouquet Valley Central School District	Public School	50
Town of Westport	Town	20
Rolling Hills	Agriculture	20
Chazy Westport Telephone Company	Communications	12

⁽¹⁾ Includes seasonal employees. Camp Dudley employees 21 year round employees.

Source: Fire District Officials

Financial Organization

Pursuant to Town Law, the Treasurer is Chief Fiscal Officer of the Fire District. The Treasurer is responsible to the Board of Commissioners and serves as the Fire District’s Budget Officer.

Budgetary Procedures

The Board of Fire Commissioners, with the assistance of the Fire District Treasurer, prepares the annual budget for the General Fund and allocation to the Reserve Funds, which is approved by the Board of Fire Commissioners. The budget is not subject to referendum. Any revisions to the annual budget are adopted by resolution of the Board of Fire Commissioners. The budget is submitted to the Town of Westport for inclusion with the Town Budgets for submission to the County of Essex. The Town and County have no authority to alter the budget as submitted.

The Fire District did not stay within the tax cap for the 2019 fiscal year. In 2018 the Westport Fire District passed a resolution to override the 2019 tax cap prior the adoption of the 2019 budget. The Fire District increased the tax levy by 47.77% and exceeded the tax cap for the 2019 budget to pay the costs of contracting with a nearby fire district to provide daytime emergency medical services and to pay the preliminary costs of the construction of the new fire station. The Fire District stayed within the tax cap for the 2020 fiscal year budget. The 2020 tax levy increased by 2.27%.

The Fire District stayed within the tax cap for the 2021 fiscal year budget. The 2021 tax levy increased by 2.27%

Investment Policy

Pursuant to the statutes of the State of New York, the Fire District is permitted to invest only in the following investments: (1) special time deposits or certificates of deposits in 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, bond anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the Fire District; (6) obligations of a New York public corporation which are made lawful investments by the Fire District 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 Fire District moneys held in certain reserve funds established pursuant to law, obligations issued by the Fire District. 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.

Consistent with the above statutory limitations, it is the Fire District's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America, or for obligation of the State of New York or its municipal subdivisions. In the case of obligations of the United States government, the Fire District may also purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third party custodian bank or trust company.

Employees

The Fire District currently has 2 employees and 52 volunteers. These employees are not represented by any bargaining unit.

Pension Payments

The Fire District does not have any pension liabilities and does not currently offer any Length of Service Award Programs (LOSAP) for its volunteer firefighters.

Other Post-Employment Benefits

The Fire District has no post-employment benefit liabilities.

Financial Statements

The Fire District retains an independent certified public accountant firm for a continuous independent audit of all financial transactions of the Fire District. The financial affairs of the Fire District are also subject to annual audits by the State Comptroller. The last independent audit covers the fiscal year ending December 31, 2019, and is attached hereto as "APPENDIX – D". The Annual Financial Report Update Document (Unaudited) and the audit for the fiscal year ended December 31, 2020 is not available as of the date of this Official Statement. Certain other financial information can also be found in "APPENDIX –A" attached hereto.

The Fire District complies with the Uniform System of Accounts as prescribed for fire districts in New York State by the State Comptroller. This System differs from generally accepted accounting principles (GAAP) as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units", and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB).

Source: Fire District officials.

Other Information

The statutory authority for the power to spend money for the object or purpose, or to accomplish the object or purpose for which the Notes are to be issued, is the Town Law, the General Municipal Law and the Local Finance Law.

The Fire District is in compliance with the procedures for the validation of the Notes provided in Title 6 of Article 2 of the Local Finance Law.

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

The fiscal year of the Fire District is January 1 through December 31.

Except for as shown under "STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness", this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the Fire District.

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 Fire District 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 Comptrollers audits of the Fire District nor any that are currently in progress or pending release.

Note: Reference to website implies no warranty of accuracy of information therein, nor inclusion by reference.

TAX INFORMATION

Taxable Assessed Valuations by Tax Year

<u>Year of Town Tax Roll:</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Assessment Roll Year:</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Assessed Valuation	\$ 238,435,065	\$ 237,871,354	\$ 238,086,361	\$ 247,083,754	\$ 238,086,361
New York State Equalization Rate	100.00%	100.00%	100.00%	100.00%	100.00%
Taxable Full Valuation	\$ 238,435,065	\$ 237,871,354	\$ 238,086,361	\$ 247,083,754	\$ 238,086,361

Tax Rate Per \$1,000 (Assessed)

<u>Year of Town Tax Roll:</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Assessment Roll Year:</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Westport Fire District	\$ 0.81	\$ 0.83	\$ 1.23	\$ 1.21	\$ 1.27

Tax Collection Procedure

In Essex County, the respective Town Tax Receivers collects all the real estate taxes of the Town, County, Fire District and special district purposes. The Town Tax Receivers distribute the collected tax money to both the Towns and Fire District prior to distributing the balance collected to the County. The Fire District is thereby assured 100% tax collections. Responsibility for the collecting of unpaid taxes rests with the County.

Tax Levy and Tax Collection Record

<u>Year of Fire District Tax Roll:</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Tax Levy	\$ 192,669	\$ 197,489	\$ 291,823 ⁽²⁾	\$ 298,461	\$ 304,286
Uncollected Taxes ⁽¹⁾	None	None	None	None	None

⁽¹⁾ See ‘Tax Collection Procedure’ herein.

⁽²⁾ The increase in tax levy was the result of contracting with a nearby fire district to provide daytime emergency medical services and to pay the preliminary costs of the new building project.

Ten Largest Taxpayers within Fire District - 2020 Assessment Roll – 2021 Fire District Tax Roll

<u>Name</u>	<u>Type</u>	<u>Taxable Full Valuation</u>
1. Affinity Group Mbr Svcs, Inc.	Resort Complex	\$ 7,775,095
2. National Grid	Utility	4,457,152
3. State of New York	Forest Lands	4,231,900
4. Lee Trust	Private Residence	3,647,500
5. Vincent Place	Private Residence	3,022,400
6. Daphne E. Hallowell	Private Residence	2,897,300
7. Lyme Adk Timberlands II LLC	Forest Land	2,210,240
8. James Carlisle	Multiple Residences	1,981,900
9. October Farm, LLC	Residence/Farmland	1,939,600
10. Stables, LLC (The)	Multiple Residences	1,813,700

The larger taxpayers listed above have a total assessed valuation of \$33,976,787 which represents approximately 14.27% of the tax base of the Fire District.

The Fire District currently does not have any pending or outstanding tax certioraris that are known or believed to have a material impact on the Fire District.

Source: Town tax rolls and Fire District officials.

Additional Tax Information

Real property located in the Fire District is assessed by the Town of Westport.

Veterans' and senior citizens' exemptions are offered to those who qualify.

Total assessed valuation of the Fire District is approximately residential-66.2%, commercial-2.7% and agricultural-2.6%.

The estimated total annual property tax bill of a \$100,000 market value residential property located in the Fire District is approximately \$2,210 including County, Town, School District and Fire District Taxes.

TAX LEVY LIMITATION LAW

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to virtually all local governments and school districts, including fire 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 was set to expire on June 15, 2020 unless extended but recent legislation has made it permanent. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index (“CPI”), over the amount of the prior year’s tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the 19 total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are 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 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 said Tax Levy Limitation Law, it is clear that no statute is able (1) to limit an issuer’s pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) to limit an issuer’s levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

STATUS OF INDEBTEDNESS

Constitutional Requirements

The New York State Constitution (Article VIII, Section 2) does not directly address the Fire District’s power to contract indebtedness and the levy of taxes upon real estate in support thereof (although Article VIII, Section 3 and Article X, Section 5 thereof do include fire districts in its listing of the types of municipal corporations in the State, possessing the power to both contract indebtedness and to cause the levy of taxes upon real estate.) The authorization and issuance of Fire District debt, including the purpose, amount and nature thereof, the method and manner of contracting such indebtedness, the maturity and terms of repayment thereof, and other related matters are provided by statute. Section 100.00 of the Local Finance Law does statutorily apply the faith and credit pledge to all district corporations, including fire districts.

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

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; unless substantially level or declining annual debt service is authorized and utilized, no installment may be more than fifty percent in excess of the smallest prior installment. The Fire District 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 Fire District has the power to contract indebtedness for any Fire District purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed three per centum of the full valuation of taxable real estate of the Fire District 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.

Pursuant to Title 8 of Article 2 of the Local Finance Law, the debt limit of the Fire District is calculated by taking 3% of the latest full valuation of all taxable real property.

Statutory Procedure

In general, the State Legislature has authorized the power and procedure for the Fire District to borrow and incur indebtedness subject, of course, to the provisions set forth above. The power to spend money, however, generally derives from other laws, including the Town Law and the General Municipal Law.

Pursuant to the Local Finance Law, the Fire District authorizes the issuance of bond or notes by the adoption of a bond resolution approved by a vote of at least three-fifths of the entire membership of the Board of Fire Commissioners, which, pursuant to the Local Finance Law, is the finance board of the Fire District. All of such resolutions are subject to mandatory referendum of the voting public.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, appropriates the requisite funds, authorizes the issuance of bonds to finance the appropriation, 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 to such object or purpose.

Each bond resolution also provides for the authorization of the issuance of bond anticipation notes prior to the issuance of the subject bonds. Statutory law in New York permits notes to be renewed each year provided that (i) principal is amortized within two years of the date of incurrence of the debt, and, (ii) such renewals do not (with certain exceptions) extend more than five years beyond the original date of borrowing.

The Local Finance Law also provides for a twenty-day statute of limitations commenced by publication of the bond resolution or a summary thereof, following its effective date which, in effect, thereafter estops legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. The Fire District has complied with such requirements with respect to the bond resolution authorizing the issuance of the Notes.

In addition, pursuant to the bond resolution, the Board of Fire Commissioners may delegate, and has delegated, to the Fire District Treasurer, the chief fiscal officer of the Fire District, power to issue and sell bonds and bond anticipation notes.

In general, the Local Finance Law contains similar provisions providing the Fire District with power to issue general obligation revenue anticipation notes, tax anticipation notes, deficiency notes and budget notes, subject to the prescribed statutory procedures and limitations.

Debt Limit. The Fire District has the power to contract indebtedness for any Fire District purpose authorized by the Legislature of the State so long as the aggregate principal amount thereof shall not exceed three per centum (3.00%) of the full valuation of taxable real property of the Fire District, except as otherwise provided by the Local Finance Law, and subject to certain enumerated exclusions and deductions such as cash or appropriations for principal of debt. The three per centum limit may be exceeded if the proposition for approval of the bond resolution is approved by a two-thirds vote of the qualified voters of the Fire District and the State Comptroller consents thereto. The method for determining full valuation is by taking the assessed valuation of taxable real property for the last completed assessment roll and applying thereto the ratio (equalization rate) which such assessed valuation bears to the full valuation; such ratio is determined by the State Board of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined.

Tax Limit. There is no constitutional limitation on the amount that may be raised by the Fire District by tax on real estate in any fiscal year to pay principal and interest on all indebtedness. However, the Tax Levy Limit Law imposes a statutory limitation on the power of the Fire District to increase its annual tax levy, unless the Fire District complies with certain procedural requirements to permit the Town, on behalf of the Fire District, to levy certain year-to-year increases in real property taxes. (See "TAX LEVY LIMITATION LAW" herein).

Debt Outstanding End of Fiscal Year

<u>Fiscal Year Ending December 31:</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Bonds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Bond Anticipation Notes	0	0	0	0	2,800,000
Installment Purchase Obligations	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Debt Outstanding	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,800,000</u>

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the Fire District evidenced by bonds and notes as of March 2, 2021.

	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	--	\$ 0
<u>Bond Anticipation Notes</u>	March 26, 2021	<u>2,800,000</u>
	Total Indebtedness	<u>\$ 2,800,000</u>

Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of March 2, 2021:

Five-Year Average Full Valuation of Taxable Real Property	\$ 239,912,579
Debt Limit - 3% thereof.....	7,197,377

Inclusions:

Bonds.....	\$ 0	
Bond Anticipation Notes	<u>2,800,000</u>	
Total Inclusions.....		<u>\$ 2,800,000</u>

Exclusions:

Appropriations – Bonds ⁽¹⁾	\$ 0	
Appropriations – Notes ⁽¹⁾	<u>0</u>	
Total Exclusions.....		<u>\$ 0</u>

Total Net Indebtedness Subject to Debt Limit.....	<u>\$ 2,800,000</u>
Net Debt-Contracting Margin.....	<u>\$ 4,397,377</u>
Percent of Debt Contracting Power Exhausted.....	38.90%

⁽¹⁾ Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.

Note: The currently outstanding \$2,800,000 bond anticipation notes will be fully redeemed and renewed with the proceeds of the Notes. The proceeds of the Notes will not increase the net indebtedness of the Fire District.

Capital Project Plans

On March 26, 2020, the District issued \$2,800,000 bond anticipation notes as the first borrowing for the construction of a new fire station. The proceeds of the Notes will provide \$2,800,000 to fully redeem and renew the currently outstanding \$2,800,000 bond anticipation notes. The District also plans to sell the current fire station’s building upon completion of the new fire station.

Authorized but Unissued Debt

Other than the purpose for which the Notes are being issued, the Fire District has no other projects authorized at this time.

Cash Flow Borrowing

The Fire District has not found it necessary to borrow revenue or tax anticipation notes or budget or deficiency notes in the known past and does not anticipate having to borrow such in the foreseeable future.

Estimated Overlapping Indebtedness

In addition to the Fire District, 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 Fire District. The estimated net outstanding indebtedness of such political subdivisions is as follows:

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> ⁽¹⁾	<u>Estimated Exclusions</u>	<u>Net Indebtedness</u>	<u>District Share</u>	<u>Applicable Indebtedness</u>
County of:						
Essex	12/31/2018	\$ 32,015,000	\$ -	\$ 32,015,000	3.33%	\$ 1,066,100
Town:						
Westport	12/31/2018	3,581,302	1,513,388 ⁽²⁾	2,067,914	100.00%	2,067,914
School District:						
Bouquet Valley CSD ⁽⁴⁾	6/30/2020	1,570,000	1,025,210 ⁽³⁾	544,790	94.20%	513,192
Moriah CSD	6/30/2020	9,203,963	8,854,212 ⁽³⁾	349,751	0.18%	630
Willsboro CSD	6/30/2020	7,731,435	4,020,346 ⁽³⁾	3,711,089	0.79%	29,318
					Total:	<u>\$ 3,677,153</u>

- (1) Outstanding bonds and bond anticipation notes. Not adjusted to include subsequent bond or note sales, if any
- (2) Water and sewer debt and appropriations.
- (3) Estimated State building aid based on current aid ratio.
- (4) On July 1, 2019 the Elizabethtown-Lewis CSD and Westport CSD merged to form the Bouquet Valley Central School District.

Notes: State Comptroller’s Special Report for Counties and Town for 2019 is not available as of the date of this official statement.

Sources: State Comptroller’s Special Report for the 2018 year end & State Comptroller's Open Book New York for the 2019-2020 fiscal year

Debt Ratios

The following table sets forth certain ratios relating to the Fire District’s net indebtedness as of March 2, 2021.

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness ^(c)	\$ 2,800,000	\$ 2,529.36	1.18%
Net Indebtedness Plus Net Overlapping Indebtedness ^(d)	6,477,153	5,851.09	2.72

- (a) The estimated population of the Fire District is 1,107. (See “THE FIRE DISTRICT – Population” herein.)
- (b) The full value of taxable real estate for the 2020-21 tax roll is \$238,086,361. (See “TAX INFORMATION” herein.)
- (c) See "Debt Statement Summary" herein.
- (d) Estimated net overlapping indebtedness is \$3,677,153. (See "Estimated Overlapping Indebtedness" herein.)

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors' Provision

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

Execution/Attachment of Municipal Property

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

Authority to File for Municipal Bankruptcy

The Federal Bankruptcy Code allows public bodies, such as counties, cities and villages, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness. This provision does not by its terms apply to fire districts.

State Debt Moratorium Law

There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

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

As a result of the Court of Appeals decision in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature 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. This provision does not by its terms apply to fire districts.

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

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

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

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

Several municipalities in the State are presently working with the FRB. Fire districts are not eligible for FRB assistance.

Constitutional Non-Appropriation Provision

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

The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes, and does not, in any event, apply by its terms to fire districts.

Default Litigation

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

No Past Due Debt

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

MARKET AND RISK FACTORS

There are various forms of risk associated with investing in the Notes. The following is a discussion of certain events that could affect the risk of investing in the Notes. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential risk.

The financial condition of the Fire District as well as the market for the Notes could be affected by a variety of factors, some of which are beyond the Fire District's control. There can be no assurance that adverse events in the State or 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 Notes. If a significant default or other financial crisis should occur in the affairs of the State or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the Fire District to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Notes, could be adversely affected.

The Fire District is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Fire District, in any year, the Fire District may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the Fire District. In several recent years, the Fire District has received delayed payments of State aid which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations.

The enactment of the Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the Fire District could have an impact upon the market price of the Notes. See "TAX LEVY LIMITATION LAW" herein.

Future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent the beneficial owners of the Notes from realizing the full current benefit of the tax status of such interest. No assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of the Notes, or the tax status of interest on the Notes. See "TAX MATTERS" herein.

COVID 19. The spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, which was first detected in China and has since spread globally, including the United States, and to New York State, has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide.

The outbreak of COVID-19 across the United States has caused the federal government to declare a national state of emergency. The State of New York has likewise declared a state of emergency and the Legislature has added "disease outbreak" to the definition of "disaster" (which already includes "epidemic") in the relevant Executive Law provision by adoption of Senate Bill S7919, signed by the Governor into law on March 3, 2020.

Executive Law Section 24 contains procedures for local governments to declare local states of emergency and issue orders to implement same.

While the virus might affect revenue streams supporting revenue bond debt of some public authorities, as compared to general obligation debt, it is not possible to determine or reasonably predict at this time whether there could also be a material impact on local municipal and school district budgets, or state and local resources to meet their obligations supporting same.

The degree of any such impact to the City's operations and finances, is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the City and its economy. The City is monitoring the situation and will take such proactive measures as may be required to maintain its functionality and meet its obligations

Cybersecurity. The City, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the City own faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. No assurances can be given that such security and operational control measures implemented would be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage City digital networks and systems and the costs of remedying any such damage could be substantial.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel is of the further opinion that interest on the Notes is not a specific preference item for purposes of the federal alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in "APPENDIX – C".

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Notes. The Fire District has covenanted to comply with certain restrictions designed to insure that interest on the Notes will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Notes being included in gross income for federal income tax purposes possibly from the date of original issuance of the Notes. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Notes may adversely affect the value of, or the tax status of interest on, the Notes. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Notes.

Certain requirements and procedures contained or referred to in the Arbitrage Certificate, and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Notes) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Notes or the interest thereon if any such change occurs or action is taken or omitted.

Although Bond Counsel is of the opinion that interest on the Notes is excluded from gross income for federal income tax purposes and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York), the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes may otherwise affect an owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the owner or the owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent owners from realizing the full current benefit of the tax status of such interest. Legislative proposals have been made which would limit the exclusion from gross income of interest on obligations like the Notes to some extent for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Notes. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Notes. Prospective purchasers of the Notes 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 Notes are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel expects to deliver an opinion at the time of issuance of the Notes substantially in the form set forth in "APPENDIX – C" hereto.

LITIGATION

The Fire District is subject to a number of lawsuits in the ordinary conduct of its affairs. The Fire District 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 Fire District.

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 Fire District, threatened against or affecting the Fire District to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the Fire District taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the Fire District.

CONTINUING DISCLOSURE

In order to assist the purchasers 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 Fire District will enter into a Material Event Notices Certificate, a description of which is attached hereto as "APPENDIX – B."

Historical Continuing Disclosure Compliance

The Fire District is in compliance with all prior undertakings pursuant to the Rule for the past five years

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 Fire District 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 Notes. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the Fire District and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Fire District or the information set forth in this Official Statement or any other information available to the Fire District 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 Fire District to the Municipal Advisor are partially contingent on the successful closing of the Fire District.

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 Notes. All expenses in relation to the printing of CUSIP numbers on the Notes will be paid for by the Fire District provided, however; the Fire District assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

RATINGS

The Notes are NOT rated. The purchaser(s) of the Notes may choose to have a rating completed after the sale pending the approval of the Fire District and at the expense of the purchaser(s), including any fees to be incurred by the Fire District, as such rating action will result in a material event notification to be posted to EMMA or a supplement to the Official Statement which is required by the Fire District.

The Fire District currently has no debt outstanding rated by any rating agency.

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. 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 Notes.

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 Fire District management's beliefs as well as assumptions made by, and information currently available to, the Fire District'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 Fire District's files with the repositories. When used in Fire District documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Notes.

Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel to the Fire District, expresses no opinions as to the accuracy or completeness of information in any documents prepared by or on behalf of the Fire District for use in connection with the offer and sale of the Notes, including but not limited to, the financial or statistical information in 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 Notes, the Fire District will furnish a certificate to the effect that as of the date of the Official Statement, the 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 the Official Statement obtained from sources other than the Fire District.

The Official Statement is submitted only in connection with the sale of the Notes by the Fire District and may not be reproduced or used in whole or in part for any other purpose.

The Fire District hereby disclaims any obligation to update developments of the various risk factors or to announce publicly any revision to any of the forward-looking statements contained herein or to make corrections to reflect future events or developments except to the extent required by Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Fiscal Advisors & Marketing, Inc. 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. Fiscal Advisors & Marketing, Inc. 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 Fire District nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the Fire District 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. Fiscal Advisors & Marketing, Inc. and the Fire District also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

The Fire District contact information is as follows: Ms. Lilia Anson, Fire District Treasurer, Westport Fire District, 38 Champlain Avenue, Westport, New York 12993, phone: (518) 962-8139, email: westportdistricttreasurer@gmail.com

The Fire District's Bond Counsel contact information is as follows: Douglas E. Goodfriend, Esq., Orrick, Herrington & Sutcliffe, LLP, 51 West 52nd Street, 15th Floor, New York, New York 10019; Phone: (212) 506-5211; Telefax: (212) 506-5151; Email: dgoodfriend@orrick.com.

Additional information may be obtained upon request from the offices of Fiscal Advisors & Marketing, Inc., telephone number (315) 752-0051, or at www.fiscaladvisors.com

This Official Statement has been duly executed and delivered by the Treasurer of the Westport Fire District.

**WESTPORT FIRE DISTRICT
IN THE TOWN OF WESTPORT**

Dated: March 2, 2021

**LILIA ANSON
Fire District Treasurer**

GENERAL FUND

Balance Sheets

Fiscal Year Ending December 31:	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>ASSETS</u>					
Cash	\$ 40,438	\$ 68,557	\$ 47,447	\$ 77,931	\$ 68,910
Cash in Time Deposits	-	-	-	2,631	2,686
Petty Cash	-	-	-	-	-
Cash in Time Deposits, Special Reserves	-	-	-	948,603	1,004,295
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 40,438</u>	<u>\$ 68,557</u>	<u>\$ 47,447</u>	<u>\$ 1,029,165</u>	<u>\$ 1,075,891</u>
 <u>LIABILITES AND FUND EQUITY</u>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 <u>FUND EQUITY</u>					
Capital Reserve	\$ -	\$ -	\$ -	\$ 948,603	\$ 1,004,295
Assigned Appropriated	8,000	8,000	8,000	8,000	8,000
Assigned Unappropriated	-	-	-	-	-
Unassigned	32,483	60,557	39,447	72,562	63,596
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND EQUITY	<u>\$ 40,483</u>	<u>\$ 68,557</u>	<u>\$ 47,447</u>	<u>\$ 1,029,165</u>	<u>\$ 1,075,891</u>
 TOTAL LIABILITES and FUND EQUITY	 <u>\$ 40,483</u>	 <u>\$ 68,557</u>	 <u>\$ 47,447</u>	 <u>\$ 1,029,165</u>	 <u>\$ 1,075,891</u>

Source: 2015-2019 Independent Auditor's Reports of the District
This Appendix itself is not audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending December 31:	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>REVENUES</u>					
Real Property Taxes	\$ 187,720	\$ 190,132	\$ 192,669	\$ 197,489	\$ 291,823
Interest and Earnings	-	-	-	16,698	20,059
Sales of Equip. & Insurance Recoveries	7,153	2,774	2,325	1,008	2,025
Refunds of Prior Year's Expenditures	-	-	-	229	229
Gifts and Donations	-	-	-	-	-
Unclassified	-	-	-	-	1,749
State Aid, Other	-	-	-	-	-
Total Revenues	<u>\$ 194,873</u>	<u>\$ 192,906</u>	<u>\$ 194,994</u>	<u>\$ 215,424</u>	<u>\$ 315,885</u>
<u>EXPENDITURES</u>					
Fire, Personal Services	8,650	8,910	9,170	9,116	8,459
Fire, Equipment and Capital Outlay	20,004	30,244	56,929	86,611	79,739
Fire, Contractual Expenditures	79,348	53,697	73,466	93,760	96,352
Ambulance, Contractual Expenditures	-	-	-	-	70,000
Social Security, Employer Contractual	810	682	705	697	647
Worker's Comp, Employee Benefits	10,924	11,459	12,345	12,114	13,962
Total Expenditures	<u>\$ 119,736</u>	<u>\$ 104,991</u>	<u>\$ 152,615</u>	<u>\$ 202,298</u>	<u>\$ 269,159</u>
Excess of Revenues Over (Under) Expenditures	<u>75,137</u>	<u>87,915</u>	<u>42,379</u>	<u>13,126</u>	<u>46,726</u>
Other Financing Sources (Uses):					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	(58,240)	(57,000)	(63,490)	-	-
Total Other Financing	<u>\$ (58,240)</u>	<u>\$ (57,000)</u>	<u>\$ (63,490)</u>	<u>\$ -</u>	<u>\$ -</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>16,897</u>	<u>30,915</u>	<u>(21,111)</u>	<u>13,126</u>	<u>46,726</u>
<u>FUND BALANCE</u>					
Fund Balance - Beginning of Year	23,586	40,483	68,557	47,447	1,029,165
Prior Period Adjustments (net)	-	(2,842)	-	968,593	-
Fund Balance - End of Year	<u>\$ 40,483</u>	<u>\$ 68,557</u>	<u>\$ 47,447</u>	<u>\$ 1,029,165</u>	<u>\$ 1,075,891</u>

Source: 2015-2019 Independent Auditor's Reports of the District
This Appendix itself is not audited.

GENERAL FUND

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

	<u>2019</u>		<u>2020</u>		<u>2021</u>	
	<u>Adopted Budget</u>	<u>Audited Actual</u>	<u>Adopted Budget</u>	<u>Adopted Budget</u>	<u>Adopted Budget</u>	<u>Adopted Budget</u>
<u>REVENUES</u>						
Real Property Taxes	\$ 291,823	\$ 291,823	\$ 298,461	\$ 304,286		
Interest and Earnings	-	20,059	50	50		
Sales of Equip. & Insurance Recoveries	-	2,025	1,915	1,368		
Refunds of Prior Year's Expenditures	-	229	-	-		
Gifts and Donations	-	-	-	-		
Unclassified	1,418	1,749	-	-		
State Aid, Other	-	-	-	-		
Total Revenues	<u>\$ 293,241</u>	<u>\$ 315,885</u>	<u>\$ 300,426</u>	<u>\$ 305,704</u>		
<u>EXPENDITURES</u>						
Public Safety	237,861	255,197	293,088	311,812		
Employee Benefits	13,380	13,962	15,338	16,130		
Total Expenditures	<u>\$ 251,241</u>	<u>\$ 269,159</u>	<u>\$ 308,426</u>	<u>\$ 327,942</u>		
Excess of Revenues Over (Under) Expenditures	<u>42,000</u>	<u>46,726</u>	<u>(8,000)</u>	<u>(22,238)</u>		
Other Financing Sources (Uses):						
Operating Transfers In	-	-	-	-		
Operating Transfers Out	(50,000)	-	-	-		
Total Other Financing	<u>\$ (50,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(8,000)</u>	<u>46,726</u>	<u>(8,000)</u>	<u>(22,238)</u>		
<u>FUND BALANCE</u>						
Fund Balance - Beginning of Year	8,000	1,029,165	8,000	22,238		
Prior Period Adjustments (net)	-	-	-	-		
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 1,075,891</u>	<u>\$ -</u>	<u>\$ -</u>		

Source: 2015-2019 Independent Auditor's Reports of the District
This Appendix itself is not audited.

MATERIAL EVENT NOTICES

In accordance with the provisions 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 “SEC”) pursuant to the Securities Exchange Act of 1934, the Fire District has agreed to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, during the period in which the Notes are outstanding, to the Electronic Municipal Market Access (“EMMA”) system of the Municipal Securities Rulemaking Board (“MSRB”) or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Notes:

- (a) principal and interest payment delinquencies
- (b) non-payment related defaults, if material
- (c) unscheduled draws on debt service reserves reflecting financial difficulties
- (d) in the case of credit enhancement, if any, provided in connection with the issuance of the Notes, 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 or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes
- (g) modifications to rights of Noteholders, if material
- (h) note calls, if material and tender offers
- (i) defeasances
- (j) release, substitution, or sale of property securing repayment of the Notes
- (k) rating changes
- (l) bankruptcy, insolvency, receivership or similar event of the Fire District
- (m) the consummation of a merger, consolidation, or acquisition involving the Fire District or the sale of all or substantially all of the assets of the Fire District, 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” (as defined in the Rule) of the Fire District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Fire District, any of which affect note 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 Fire District, any of which reflect financial difficulties.

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

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

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

With respect to events (o) and (p), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

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

The Fire District reserves the right to terminate its obligation to provide the aforescribed notices of material events, as set forth above, if and when the Fire District no longer remains an obligated person with respect to the Notes within the meaning of the Rule. The Issuer acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Notes (including holders of beneficial interests in the Notes). The right of holders of the Notes to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the Fire District’s obligations under its material event notices undertaking and any failure by the Fire District to comply with the provisions of the undertaking will neither be a default with respect to the Notes nor entitle any holder of the Notes to recover monetary damages.

The Fire District 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 Fire District; provided that the Fire District agrees that any such modification will be done in a manner consistent with the Rule.

An “Undertaking to Provide Notice of Material Events” to this effect shall be provided to the purchaser(s) at closing.

FORM OF BOND COUNSEL'S OPINION

March 25, 2021

Westport Fire District in the Town of Westport
County of Essex,
State of New York

Re: Westport Fire District in the Town of Westport, Essex County, New York
\$2,800,000 Bond Anticipation Notes, 2021 (Renewals)

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of a \$2,800,000 Bond Anticipation Notes, 2021 (Renewals) (the "Obligation"), of the Westport Fire District in the Town of Westport, Essex County, New York (the "Obligor"), dated March 25, 2021, numbered 1, of the denomination of \$_____, bearing interest at the rate of _____ % per annum, payable at maturity, and maturing March 25, 2022.

We have examined:

- (1) the Constitution and statutes of the State of New York;
- (2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");
- (3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligation that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligation not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligation and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligation to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligation and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and
- (4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

We also have examined a certified copy of proceedings of the finance board of the Obligor and other proofs authorizing and relating to the issuance of the Obligation, including the form of the Obligation. In rendering the opinions expressed herein we have assumed (i) the accuracy and truthfulness of all public records, documents and proceedings, including factual information, expectations and statements contained therein, examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof, and (ii) compliance by the Obligor with the covenants contained in the Arbitrage Certificate. We also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and the certifications thereof.

In our opinion:

- (a) The Obligation has been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitutes a valid and legally binding general obligation of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligation and interest thereon, subject to applicable statutory limitations; provided, however, that the enforceability (but not the validity) of the Obligation: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.

- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligation; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligation is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligations is not a specific preference item for purposes of the federal alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligation.

Certain agreements, requirements and procedures contained or referred to in the Arbitrage Certificate and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Obligation) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. Our engagement with respect to the Obligation has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Obligation to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Obligation and the Arbitrage Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against municipal corporations such as the Obligor in the State of New York. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, or waiver provisions contained in the foregoing documents.

The scope of our engagement in relation to the issuance of the Obligation has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of revenues or moneys of the Obligor legally available will be sufficient to enable the Obligor to pay the principal of or interest on the Obligation as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligation for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligation, 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.

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP

WESTPORT FIRE DISTRICT

AUDITED FINANCIAL REPORT

For the Year Ended December 31, 2019

Such Audited Financial Statement and opinion 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.

WESTPORT FIRE DISTRICT
ANNUAL FINANCIAL REPORT UPDATE DOCUMENT
and
INDEPENDENT AUDITOR'S REPORT
For the Fiscal Year Ended December 31, 2019

Richard H. Dinolfo
Certified Public Accountant
Queensbury, New York

WESTPORT FIRE DISTRICT
ANNUAL FINANCIAL REPORT UPDATE DOCUMENT
and
INDEPENDENT AUDITOR'S REPORT
For the Fiscal Year Ended December 31, 2019

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Richard H. Dinolfo
Certified Public Accountant

15 Willow Road
Queensbury, New York 12804-1240
518-793-9331
518-798-0904 FAX
rdinolfo@gmail.com

**REPORT ON THE FINANCIAL STATEMENTS AND SUPPLEMENTAL
INFORMATION AS REPORTED IN THE ANNUAL FINANCIAL REPORT
UPDATE DOCUMENT**

Independent Auditor's Report

Chairman and Members of the Board of Fire Commissioners
Westport Fire District
Westport, New York

Report on the Financial Statements

I have audited the accompanying regulatory basis financial statements as reported in the Annual Financial Report Update Document of the Westport Fire District (Fire District) as of and for the year ended December 31, 2019, and the related notes to financial statements, which collectively comprise the Fire District's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Board of Fire Commissioners and other management of the Fire District are responsible for the preparation and fair presentation of these special purpose financial statements in accordance with the regulatory basis of accounting and reporting prescribed by the Office of the State Comptroller of the State of New York; this includes determining that the regulatory basis of accounting and reporting prescribed by the Office of the State Comptroller of the State of New York is an acceptable basis for the preparation of the financial statements in the circumstances. The Board of Fire Commissioners and other management of the Fire District are responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the special purpose financial statements that are free from material misstatement, whether due to fraud or error.

Prior Year Financial Information

The prior year financial information shown in the Annual Financial Report Update Document, and included in the financial statements shown in this report, was provided by the Office of the State Comptroller of the State of New York generally as a guide to the Fire District in preparing the current year information and not for comparative purposes. The prior year financial information was not subject to this audit.

Basis of Accounting

As more fully described in Note A to the Annual Update Document Financial Statements, the Fire District prepared these financial statements using the regulatory basis of accounting and

reporting prescribed by the Office of the State Comptroller of the State of New York for submitting annual financial reports to that office. This regulatory basis of accounting and reporting is a special purpose framework other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and reporting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements reported in the Annual Financial Report Update Document are free of 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 Fire District'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 Fire District's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Basis for Qualified Opinion

The Fire District has not maintained suitable records of all property and equipment assets to account for and report general fixed assets. Consequently, the financial statements do not include the historical cost amount of general fixed assets required to be reported in the schedule of non-current governmental assets. Due to the lack of suitable property and equipment records, I was not able to perform other procedures to determine the amount of general fixed assets to be reported in the financial statements.

Auditor's Opinion

In my opinion, except for the omission of general fixed assets required to be reported in the schedule of non-current governmental assets, the accompanying financial statements as reported in the Annual Financial Report Update Document referred to above presents fairly, in all material respects, the financial position of the Westport Fire District as of December 31, 2019, and the results of its operations for the year then ended, on the regulatory basis of accounting and reporting described in Note A.

Report on Supplemental Information

My audit was conducted for the purpose of forming my opinion on the financial statements as a whole as reported in the Annual Financial Report Update Document. The accompanying supplemental information, which includes financial information about various accounts and certain questionnaires as identified in the contents section, are included in the Annual Financial Report Update Document for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used by the Treasurer to prepare the financial statements.

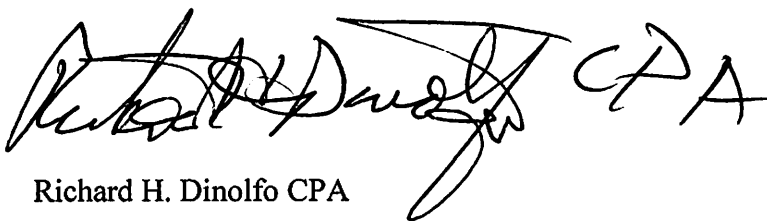
This supplemental information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, such as reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole, on the regulatory basis of accounting and reporting described in Note A.

Report on Government Auditing Standards

In accordance with *Government Auditing Standards* issued by the Comptroller General, I have also issued my report dated June 10, 2020 on my consideration of the Fire District's internal control over financial reporting and on my 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 my 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 Fire District's internal control over financial reporting and compliance.

Intended Use of This Report

As there are differences between financial statements prepared in accordance with accounting principles generally accepted in the United States of America and financial statements prepared in accordance with the regulatory basis of accounting and reporting prescribed by the Office of the State Comptroller of the State of New York, this report is not intended to be used by anyone not understanding those differences. Accordingly, this report is intended solely for the information and use of the Chairman and Board of Fire Commissioners, Secretary, Treasurer and other management of the Westport Fire District, and for filing with the Town of Westport, New York and the Office of the State Comptroller of the State of New York, and is not intended for any other purpose.

A handwritten signature in black ink, appearing to read "Richard H. Dinolfo CPA". The signature is stylized and includes the letters "CPA" at the end.

Richard H. Dinolfo CPA

Queensbury, New York
June 10, 2020

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All Numbers in This Report
Have Been Rounded To
The Nearest Dollar

ANNUAL FINANCIAL REPORT
UPDATE DOCUMENT
For The
FIRE DISTRICT of Westport
County of Essex
For the Fiscal Year Ended 12/31/2019

AUTHORIZATION

ARTICLE 3, SECTION 30 of the GENERAL MUNICIPAL LAW:

1. ***Every Municipal Corporation *** shall annually make a report of its financial condition to the Comptroller. Such report shall be made by the Chief Fiscal Officer of such Municipal Corporation ***

5. All reports shall be certified by the officer making the same and shall be filed with the Comptroller *** It shall be the duty of the incumbent officer at the time such reports are required to be filed with the Comptroller to file such report ***

State of NEW YORK
Office of The State Comptroller
Division of Local Government and School Accountability
Albany, New York 12236

FIRE DISTRICT OF Westport

*** FINANCIAL SECTION ***

Financial Information for the following funds and account groups are included in the Annual Financial Report filed by your government for the fiscal year ended 2018 and has been used by the OSC as the basis for preparing this update document for the fiscal year ended 2019:

- (A) GENERAL
- (R) RESERVE

All amounts included in this update document for 2018 represent data filed by your government with OSC as reviewed and adjusted where necessary.

*** SUPPLEMENTAL SECTION ***

The Supplemental Section includes the following sections:

- 1) Statement of Indebtedness
- 2) Schedule of Time Deposits and Investments
- 3) Bank Reconciliation
- 4) Local Government Questionnaire
- 5) Schedule of Employee and Retiree Benefits
- 6) Schedule of Energy Costs and Consumption

All numbers in this report will be rounded to the nearest dollar.

NOTE: Lined out sections were not reported in the AUD and are not used in this report.

WESTPORT FIRE DISTRICT
Annual Update Document Financial Statements
For the Fiscal Year Ended December 31, 2019

**(A) General
Balance Sheet**

Code Description	2018	EDP Code	2019
Assets:			
Cash	\$ 77,931	A200	\$ 68,910
Cash in Time Deposits	<u>-</u>	A201	<u>-</u>
Total Cash	77,931		68,910
Investments in Securities	2,631	A450	2,686
Investments in Securities, Special Reserves	<u>948,603</u>	A452	<u>1,004,295</u>
Total Restricted Assets	<u>948,603</u>		<u>1,004,295</u>
Total Assets	<u><u>1,029,165</u></u>		<u><u>1,075,891</u></u>
Fund Balance:			
Capital Reserve	948,603	A878	1,004,295
Assigned Appropriated Fund Balance	8,000	A914	8,000
Unassigned Fund Balance	<u>72,562</u>	A917	<u>63,596</u>
Total Fund Balance	<u><u>\$ 1,029,165</u></u>		<u><u>\$ 1,075,891</u></u>

WESTPORT FIRE DISTRICT
Annual Update Document Financial Statements
For the Fiscal Year Ended December 31, 2019

(A) General

Results of Operation

Code Description	2018	EDP Code	2019
Detail Revenues and Other Sources:			
Real Property Taxes	\$ 197,489	A1001	\$ 291,823
Interest and Earnings	16,697	A2401	20,059
Sale of Equipment	1,008	A2665	2,025
Refund of Prior Year's Expenditures	229	A2701	229
Unclassified	<u>-</u>	A2770	<u>1,749</u>
Total Revenues and Other Sources	<u>\$ 215,423</u>		<u>\$ 315,885</u>
Detail Expenditures and Other Uses:			
Fire, Personal Services	\$ 9,116	A34102	\$ 8,459
Fire, Equipment and Capital Outlay	86,611	A34102	79,739
Fire, Contractual Expenditures	93,760	A34104	96,352
Ambulance, Contractual Expenditures	-	A45404	70,000
Social Security, Employer Contribution	697	A90308	647
Worker's Compensation, Employee Benefits	12,114	A90408	13,962
Debt Principal, Bond Anticipation Notes	-	A97306	-
Debt Interest, Bond Anticipation Notes	<u>-</u>	A97307	<u>-</u>
Total Expenditures	202,298		269,159
Transfers, Other Funds	<u>-</u>	A99019	<u>-</u>
Total Expenditures and Other Uses	<u>\$ 202,298</u>		<u>\$ 269,159</u>
Analysis of Changes in Fund Balance:			
Fund Balance - Beginning of Year	\$ 47,447	A8021	\$ 1,029,165
Prior Period Adjustment - Increase in Fund Bal	<u>968,593</u>	A8012	<u>-</u>
Restated Fund Balance - Beginning of Year	1,016,040		1,029,165
Add - Revenues and Other Sources	215,423		315,885
Deduct - Expenditures and Other Uses	<u>(202,298)</u>		<u>(269,159)</u>
Fund Balance - End of Year	<u>\$ 1,029,165</u>	A8029	<u>\$ 1,075,891</u>

WESTPORT FIRE DISTRICT
Annual Update Document Financial Statements
For the Fiscal Year Ended December 31, 2019

(A) General

Budget Summary Next Fiscal Year

Code Description	2019	EDP Code	2020
Estimated Revenues and Other Sources:			
Est Rev - Real Property Taxes	\$ 291,823	A1049N	\$ 298,461
Est Rev - Miscellaneous Local Revenues	<u>1,418</u>	A2799N	<u>1,965</u>
Total Estimated Revenues	293,241		300,426
Appropriated Fund Balance	<u>8,000</u>		<u>8,000</u>
Total Estimated Revenues and Other Sources	<u><u>301,241</u></u>		<u><u>308,426</u></u>
Appropriations and Other Uses:			
App - Public Safety	237,861	A3999N	242,437
App - Employee Benefits	13,380	A9199N	15,989
App - Debt Service	<u>-</u>	A9899N	<u>-</u>
Total Appropriations	251,241		258,426
Other Budgetary Purposes	<u>50,000</u>	A962N	<u>50,000</u>
Total Appropriations and Other Uses	<u><u>\$ 301,241</u></u>		<u><u>\$ 308,426</u></u>

WESTPORT FIRE DISTRICT
Annual Update Document Financial Statements
For the Fiscal Year Ended December 31, 2019

(R) Reserve

Balance Sheet

Code Description	2018	EDP Code	2019
Assets:			
Cash in Time Deposits, Special Reserves	\$ -	R231	\$ -
Total Cash Assets	<u>-</u>		<u>-</u>
Fund Equity:			
Capital Reserve	-	R878	-
Total Fund Equity	<u>\$ -</u>		<u>\$ -</u>

(R) Reserve

Results of Operation

Detail Revenues and Other Sources:

Interest and Earnings	\$ -	R2401	\$ -
Total Revenues	-		-
Interfund Transfers	-	R5031	-
Total Revenues and Other Sources	<u>\$ -</u>		<u>\$ -</u>

Detail Expenditures and Other Uses:

Transfers, Other Funds	-	R34102	-
Total Expenditures and Other Uses	<u>\$ -</u>		<u>\$ -</u>

Analysis of Changes in Fund Balance:

Fund Balance - Beginning of Year	\$ 968,593	R8021	\$ -
Prior Period Adjustment	<u>(968,593)</u>	R8015	<u>-</u>
Restated Fund Balance - Beginning of Year	-		-
Add - Revenues and Other Sources	-		-
Deduct - Expenditures and Other Uses	-		-
Fund Balance - End of Year	<u>\$ -</u>	R8029	<u>\$ -</u>

Westport FIRE DISTRICT
Schedule of Time Deposits and Investments
For the Fiscal Year Ending 2019

	EDP Code	Amount
CASH:		
On Hand	9Z2001	
Demand Deposits	9Z2011	\$68,910.32
Time Deposits	9Z2021	
Total		\$68,910.32
 COLLATERAL:		
- FDIC Insurance	9Z2014	\$68,910.32
Collateralized with securities held in possession of municipality or its agent	9Z2014A	
Total		\$68,910.32
 INVESTMENTS:		
- Securities (450)		
Book Value (cost)	9Z4501	\$1,006,981.07
Market Value at Balance Sheet Date	9Z4502	
Collateralized with securities held in possession of municipality or its agent	9Z4504A	
 - Repurchase Agreements (451)		
Book Value (cost)	9Z4511	
Market Value at Balance Sheet Date	9Z4512	
Collateralized with securities held in possession of municipality or its agent	9Z4514A	

Westport FIRE DISTRICT
Bank Reconciliation
For the Fiscal Year Ending 2019

Include All Checking, Savings and C.D. Accounts

Bank Account Number	Bank Balance	Add: Deposit In Transit	Less: Outstanding Checks	Adjusted Bank Balance
****-0988	\$68,910	\$0	\$0	\$68,910
	Total Adjusted Bank Balance			\$68,910
	Petty Cash			\$.00
	Adjustments			\$.00
	Total Cash		9ZCASH *	\$68,910
	Total Cash Balance All Funds		9ZCASHB *	\$68,910
	* Must be equal			

Westport FIRE DISTRICT
 Fire District Questionnaire
 For the Fiscal Year Ending 2019

	Response
1) Has your district adopted a written procurement policy and is it complied with?	Y
2) Has your district contracted to have an independent audit of its financial statements? If not, has the Board of Fire Commissioners performed an internal audit of the Treasurer's records and reports?	Y
3) Does your district have a written travel policy and is it complied with?	Y
4) Are monthly bank reconciliations performed?	Y
5) What is your district's statutory spending limitation margin (amount) for the next fiscal	\$93,243
6) Does your district have a Length of Service Award Program (LOSAP) for volunteer firefighters?	
If so, how are the LOSAP funds invested?	
Marketable Securities	
Annuities	
Life Insurance	
Other (describe)	
7) Has your Fire District adopted an investment policy as required by General Municipal Law, Section 39?	Y

Westport FIRE DISTRICT
Employee and Retiree Benefits
For the Fiscal Year Ending 2019

Total Full Time Employees:					
Total Part Time Employees:		2			
Account Code	Description	Total Expenditures (All Funds)	# of Full Time Employees	# of Part Time Employees	# of Retirees
90108	State Retirement System				
90158	Police and Fire Retirement				
90258	Local Pension Fund				
90308	Social Security	\$647.27			
90408	Worker's Compensation Insurance	\$13,962.00			
90458	Life Insurance				
90508	Unemployment Insurance				
90558	Disability Insurance				
90608	Hospital and Medical (Dental) Insurance				
90708	Union Welfare Benefits				
90858	Supplemental Benefit Payment to Disabled Fire Fighters				
91890	Other Employee Benefits				
Total		\$14,609.27			
Computed Total From Financial Section (comparative purposes only)		\$14,609.27			

Westport FIRE DISTRICT
 Energy Costs and Consumption
 For the Fiscal Year Ending 2019

Energy Type	Total Expenditures	Total Volume	Units Of Measure	Alternative Units Of Measure
Gasoline	\$687		gallons	
Diesel Fuel	\$994		gallons	
Fuel Oil	\$3,048		gallons	
Natural Gas			cubic feet	
Electricity	\$1,120		kilowatt-hours	
Coal			tons	
Propane			gallons	

FIRE DISTRICT DEMOGRAPHICS

Postal or Mailing Address:

PO Box 134 Street Address or PO Box	Westport City	NY State	12993 Zip
(518) 962-2226 Fire District Telephone Number	() - Fire District Fax Number		
Official Email Address	Website		
Physical Address: (If Different From Postal Address)			
22 Champlain Street Address	Westport City	NY State	12993 Zip

BOARD DEMOGRAPHICS CHIEF FISCAL OFFICER

Pamela A Nicholas Name	Treasurer Title
PO Box 134 Street Address or PO Box	Westport City
(518) 962-2226 Telephone Number	() - Fax Number
Email Address	12/31/2020 Term End Date
	NY State
	12993 Zip

CHAIRMAN OF THE BOARD

James Rule Name	Chairman Title
PO Box 134 Street Address or PO Box	Westport City
(518)962-2226 Telephone Number	() - Fax Number
Email Address	12/31/2020 Term End Date
	NY State
	12993 Zip

I, Pamela A Nicholas hereby certify that I am the Chief Fiscal Officer of the Westport Fire District, and that the information provided in the annual financial report of the Westport Fire District, for the fiscal year ended 12/31/2019, is true and correct to the best of my knowledge and belief. By entering the personal identification number assigned by the Office of the State Comptroller to me as the Chief Fiscal Officer of the Westport Fire District, and adopted by me as my signature for use in conjunction with the filing of the Westport Fire District's annual financial report, I am evidencing my express intent to authenticate my certification of the Westport Fire District's annual financial report report for the fiscal year ended 12/31/2019 and filed by means of electronic data transmission.

	*****	04/08/2020
Name of Report Preparer if different than Chief Fiscal Officer	Personal Identification Number of Chief Fiscal Officer	Date

WESTPORT FIRE DISTRICT
Notes to Annual Update Document Financial Statements
For the Fiscal Year Ending December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Westport Fire District (Fire District) is a district corporation created under Article 11 of the Town Law of New York State to provide fire protection and other emergency services to residents and organizations located within the district. The Fire District is governed by various provisions of the Town Law, other general laws of New York State, and various other locally adopted rules and regulations. The Board of Fire Commissioners, which is the legislative body responsible for the overall operation of the Fire District, consists of five elected members. The Chairman, who serves as the chief executive officer, is elected by members of the Board. The Treasurer serves as the chief fiscal officer.

The Office of the State Comptroller of the State of New York (OSC) has the basic responsibility to provide oversight to local governments and other applicable governmental agencies in accordance with provisions of the State Constitution and Article 3 of the General Municipal Law of the State of New York. OSC has established the *Accounting and Reporting Manual for Fire Districts* pursuant to Section 36 of the General Municipal Law of the State of New York. OSC has also developed the format of the Annual Financial Report Update Document for reporting by all local governments in the State of New York. Accordingly, the Fire District has elected to utilize the financial statements reported in the Annual Financial Report Update Document prepared in accordance with the regulatory basis of accounting and reporting prescribed by OSC as the Fire District's annual financial statements.

The Annual Financial Report Update Document includes a financial section and a supplemental section. The financial section includes the Annual Update Document (AUD) financial statements for the various funds and schedules. The financial statements for the governmental funds generally require a balance sheet, results of operations with separate statements of revenues and expenditures, and a statement of changes in fund balance for each fund. A budget summary for the next fiscal year is also required for the general fund. Balance sheets are required to report non-current governmental assets, non-current governmental liabilities, and agency funds. Prior year data is included in the report format provided by OSC generally as a guide in preparing the current year data, and not for comparative financial statement purposes. The supplemental section requires reporting information about indebtedness, deposits, bank reconciliations and other statistical and narrative information.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles that are generally accepted in the United States of America. The regulatory basis of accounting and reporting referred to above varies from accounting principles generally accepted in the United States of America primarily because it does not require implementation of GASB Statement No. 34 and other applicable statements, and does not require reporting the government-wide statements of net position and activities in the AUD. The regulatory basis of accounting and reporting prescribed by OSC is the same method used by the Fire District for years ending prior to December 31, 2019.

In preparing the financial statements as reported in the Annual Financial Report Update Document in conformity with accounting principles described above, management may be required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

WESTPORT FIRE DISTRICT
Notes to Annual Update Document Financial Statements
For the Fiscal Year Ending December 31, 2019

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements as reported in the Annual Financial Report Update Document follows.

1. Financial Reporting Entity

In evaluating how to define the Fire District for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria in the regulatory basis of accounting and reporting prescribed by OSC. This criteria generally includes determinations about the Board of Fire Commissioner's ability to exercise oversight responsibility, the scope of public service provided by the entity, and the existence of special financing relationships. Based upon the application of these criteria, the Fire District is not considered a component unit of the Town of Westport, New York.

The following potential component units have been excluded from the Fire District's reporting entity:

Westport Hose Company

The Westport Hose Company (Company) was organized as a not-for-profit organization with its own governing board, management, and officials. The members of the Company generally include the chief and the volunteer fire fighters who provide volunteer fire protection services to the Fire District. The Company maintains their financial records and reports, and the Company management is responsible for the applicable financial activity.

Wadhams Volunteer Fire Company

The Wadhams Volunteer Fire Company (Fire Company) was organized as a not-for-profit organization with its own governing board, management, and officials. The members of the Fire Company generally include the chief and the volunteer fire fighters who provide volunteer fire protection services to the Fire District. The Fire Company maintains their financial records and reports, and the Fire Company management is responsible for the applicable financial activity.

2. Basis of Presentation, Fund Accounting

In accordance with the regulatory basis of accounting and reporting prescribed by OSC, the Fire District uses fund accounting to demonstrate legal compliance with budgetary and other requirements, and to aid financial management by segregating transactions relating to certain activities or functions.

A fund is a separate fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and fund balances, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The regulatory basis of accounting and reporting prescribed by OSC prescribes the use of governmental and fiduciary fund types. Proprietary funds are not currently prescribed for fire districts in New York State.

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A schedule, on the other hand, is a financial reporting device designed to provide accountability for non-current governmental assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available resources.

The Fire District maintains the following funds and schedules:

General fund – a governmental fund, which is the Fire District’s main operating fund used to account for real property taxes and other revenues generated to finance fire protection costs and other activities not required to be accounted for in any other fund.

Capital projects fund – a governmental fund used to account for capital expenditures for acquisition, construction, reconstruction and/or improvements of capital assets financed from the proceeds of debt, transfers from other funds, capital grants and contributions, and/or other applicable capital financing sources. No capital projects fund was required to be reported for the year ended December 31, 2019.

Agency fund – a fiduciary fund used to account for assets held in a fiduciary capacity, if any, pending distribution to other parties. No agency fund was required to be reported for the year ended December 31, 2019.

Schedule of non-current governmental assets – used to report capital assets for governmental activities. The Fire District has not yet maintained suitable property and equipment records needed to report a schedule of non-current governmental assets through the year ended December 31, 2019.

Schedule of non-current governmental liabilities – used to report long-term debt, if any, issued for governmental activities. No schedule of non-current governmental liabilities was required to be reported for the year ended December 31, 2019.

3. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. Under the regulatory basis of accounting and reporting prescribed by OSC, governmental funds are accounted for using the cash resources measurement focus and the cash basis of accounting. With this measurement focus, only cash assets are reported on the balance sheet. The statements of revenues, expenditures, and changes in fund balances of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financial uses) in net cash assets.

Under the cash basis of accounting, governmental fund revenues are recognized when received in cash.

Governmental fund expenditures are recorded when paid. The following is additional information regarding certain expenditures:

- Payment of prepaid expenses and purchase of inventory type items are recorded as expenditures when paid. This method is generally referred to as the “purchase” method, as opposed to the “consumption” method.
- Costs of acquiring capital assets are recorded as expenditures when the related acquisition amounts are paid.

WESTPORT FIRE DISTRICT
Notes to Annual Update Document Financial Statements
For the Fiscal Year Ending December 31, 2019

- For fiduciary funds, most agency fund transactions, if any, are recorded on a cash basis.

4. *Assets, liabilities, reserves, and fund balances*

- a. Cash and cash equivalents consist of unrestricted cash in demand deposits and time deposits at the Fire District's designated depository.
- b. Restricted cash consists of cash in time deposits at the Fire District's designated depository segregated from other operating cash and set aside in reserves for future repairs and capital improvements.
- c. Revenues from real property taxes are recognized when amounts are distributed to the Fire District from the applicable tax collection entities, which is during the period for which the taxes were levied. The Fire District receives the total amount of taxes levied each year, so no receivables are recorded at year end. Real property taxes are the Fire District's main revenue source. Other miscellaneous revenues are recorded when received in cash.
- d. Capital assets, if recorded, should consist of land, buildings, improvements other than buildings, and machinery and equipment.
- e. Fund balance represents the cash balances of each fund. Generally, fund balances are required to be reported in the following classifications: non-spendable, committed, restricted, assigned, and unassigned fund balances. Portions of fund balance may be restricted for the amount of cash set aside for future repairs and/or capital improvements. The Board of Fire Commissioners is the level of authority that can authorize fund balances to be segregated and reported in these various classifications.

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1. *Budgetary information and real property tax levies*

Annual budgets for the general fund are adopted by the Board of Fire Commissioners on a basis consistent with the regulatory basis of accounting and reporting prescribed by OSC. In accordance with statutory requirements, the maximum amount the Fire District may spend during a fiscal year must be calculated to determine the statutory spending limitation. Consequently, appropriations included in the annual budget must be within the statutory spending limitation.

The Fire District is required to follow applicable provisions of the Town Law of the State of New York to prepare the annual budget and submit it to the applicable tax collection entity. In general, a public hearing on the budget must be held and the budget amounts for the ensuing fiscal year must be adopted by the Board of Fire Commissioners and submitted to the Town of Westport, New York by November 7 each year. The amount of real property taxes needed for the ensuing year is assessed against the properties in the district located in the town. The Town includes the Fire District's budget estimates and amount of taxes needed for fire district purposes in their annual town budget, which is then submitted to the County of Essex, New York for the levy of taxes by the County Governing Board. The Fire District tax levy is included with the applicable Town and County annual tax levy in a single tax billing to taxpayers, which becomes a tax lien on January 1 of each year. As tax collections are

WESTPORT FIRE DISTRICT
Notes to Annual Update Document Financial Statements
For the Fiscal Year Ending December 31, 2019

received by the town tax collecting officers, the Towns pay the Fire District the total amount of the tax levy. Any uncollected taxes for the combined town, fire district and county taxes are returned to the County of Essex, New York for subsequent enforcement.

2. Reserves

The use of reserves to finance capital improvements and other applicable uses generally is authorized by the Board of Fire Commissioners on an as needed basis after the appropriate approvals have been attained. In certain instances, use of reserves may be subject to referendum requirements and may need to be approved by the qualified voters of the district before being appropriated by the Board of Fire Commissioners.

During the year ended December 31, 2019, \$70,440 was expended from reserves.

NOTE C – DETAILED NOTES ON ALL FUNDS

1. Cash and investments

At December 31, 2019, the Fire District's cash balances consisted cash in a checking account totaling \$77,931.

Provisions of the General Municipal Law of the State of New York and other state statutes require the Fire District to collateralize its cash deposits in excess of the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000 per bank, per depositor for demand deposits and \$250,000 for savings and time deposits. This collateral can be in the form of federal, state, and local government securities held by the Fire District's third-party custodial bank or trust Company on behalf of the Fire District's depository and pledged to secure the Fire District's deposits. The collateral can also consist of certain letters of credit and other authorized collateral.

Cash in the checking account totaling \$68,910 was fully insured and/or collateralized as of December 31, 2019. The Fire District had investments of \$1,006,981 in federal securities through a pooled investment at December 31, 2019.

2. Capital Assets

Through the year ended December 31, 2019, the Fire District has not completed maintenance of suitable property and equipment records needed to report the required schedule of non-current governmental assets. Consequently, the Fire District did not report any capital assets.

3. Long-term and Short-term Debt

The Fire District reports no outstanding bonds payable or other long-term debt and no outstanding bond anticipation notes payable or other short-term debt as of the year ended December 31, 2019.

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Notes to Annual Update Document Financial Statements
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NOTE D – COMMITMENTS, CONTINGENCIES AND SUBSEQUENT EVENTS

In the normal course of operations, the Fire District may become involved in certain claims arising from a variety of sources. The Fire District carries various forms of insurance to cover potential losses from such claims. For insured programs, there has been no significant reduction in insurance coverage.

District officials have taken actions to expand the fire station property for a new fire station. They have sought advice from certain fiscal advisors regarding the issuance of bonds to finance the project and have received voter approval.

Richard H. Dinolfo
Certified Public Accountant

15 Willow Road
Queensbury, New York 12804-1240
518-793-9331
518-798-0904 FAX
rdinolfo@gmail.com

**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

Chairman and Members of the Board of Fire Commissioners
Westport Fire District
Westport, New York

I have audited, 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, the financial statements as reported in the Annual Financial Report Update Document of the Westport Fire District as of and for the year ended December 31, 2019, and the related notes to financial statements, and have issued my report thereon dated June 10, 2020.

Internal Control over Financial Reporting

The Board of Fire Commissioners and other management of the Fire District are responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing my audit, I considered the Fire District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements as reported in the Annual Financial Report Update Document, but not for the purpose of expressing an opinion on the effectiveness of the Fire District's internal control. Accordingly, I do not express an opinion on the effectiveness of the Fire District'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 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 combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by the Board of Fire Commissioners who are charged with governance.

I consider the deficiency described below as item 2019-001 to be a material weakness in internal control over financial reporting.

2019-001 Lack of suitable property and equipment records.

Fire District officials have not yet maintained suitable records to account for and report property and equipment assets. Consequently, the Fire District's Annual Financial Report Update Document (AUD) filed with OSC did not include the amount of general fixed assets in the required statement of non-current governmental assets. The Fire District's general fixed assets would include land, buildings, improvements other than buildings and machinery and equipment. Generally, these property and equipment assets would represent the Fire District's most significant assets. Without suitable records to account for and report property and equipment assets, the Fire District's AUD filed with OSC was not complete, and not in accordance with the regulatory basis of accounting and reporting prescribed by OSC.

My consideration of the 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 the limitations described above, I did not identify any other deficiencies in internal control that I consider to be material weaknesses or significant deficiencies. However, other material weaknesses and significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fire District's financial statements as reported in the Annual Financial Report Update Document are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed that the deficiency described as items 2019-001 above is also an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*. The results of my tests disclosed no 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fire District'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 Fire District's internal control and compliance. This report is intended for the information and use of the Chairman and Members of the Board of Fire Commissioners, Secretary, Treasurer, others within the Fire District, and for filing with the Town of Westport, New York and the Office of the State Comptroller of the State of New York. Accordingly, this report is not intended for any other purpose.

A handwritten signature in black ink, reading "Richard H. Dinolfo CPA". The signature is stylized and cursive, with the letters "CPA" written in a larger, more distinct font at the end of the signature.

Richard H. Dinolfo CPA
Queensbury, New York
June 10, 2020