

PRELIMINARY OFFICIAL STATEMENT

NEW ISSUE

BOND ANTICIPATION NOTES

In the opinion of Bond Counsel, under existing statutes, regulations, administrative rulings, and court decisions, and assuming continuing compliance by the Village with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), and the accuracy of certain representations made by the Village, interest on the Notes is excluded from gross income of the owners thereof for Federal income tax purposes, and is not an "item of tax preference" for purposes of the Federal alternative minimum tax imposed on individuals. Bond Counsel is also of the opinion that under existing statutes interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). No opinion is expressed regarding other Federal or State tax consequences arising with respect to 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.

\$2,700,000

**VILLAGE OF TUPPER LAKE
FRANKLIN COUNTY, NEW YORK**

GENERAL OBLIGATIONS

**\$2,700,000 Bond Anticipation Notes, 2019
(the "Notes")**

Dated: October 10, 2019

Due: October 9, 2020

The Notes are general obligations of the Village of Tupper Lake, Franklin County, New York (the "Village"), 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 "TAX LEVY LIMITATION LAW" herein.

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

If the Notes are issued registered in the name of a purchaser, a single note certificate will be issued for such Notes 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 at the office of the Village Clerk, Tupper Lake, New York.

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 Village 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 Village 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, as applicable of Harris Beach PLLC, Pittsford, New York, Bond Counsel. It is anticipated that the Notes will be available for delivery in Jersey City, New Jersey, or as may be agreed upon with the purchaser(s), on or about October 10, 2019.

ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com, on September 26, 2019 by no later than 11:00 A.M. Prevailing Time. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the Village, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale for the Notes.

September 17, 2019

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

VILLAGE OF TUPPER LAKE

FRANKLIN COUNTY, NEW YORK

VILLAGE OFFICIALS

PAUL A. MAROUN

Mayor

TRUSTEES

RONALD A. LASCALA
LEON LEBLANC

DAVID MAROUN
CLINT HOLLINGSWORTH

* * * * *

MARY A. CASAGRAIN

Village Clerk/Treasurer



HARRIS BEACH PLLC

Bond Counsel



FISCAL ADVISORS & MARKETING, INC.

Municipal Advisor

No person has been authorized by Village to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the 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 Village.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
THE NOTES	1	SPECIAL PROVISIONS AFFECTING	
Nature of Obligation.....	1	REMEDIES UPON DEFAULT	16
Description of the Notes.....	1	MARKET AND RISK FACTORS	17
Purpose of Issue	1	TAX MATTERS	18
BOOK-ENTRY-ONLY SYSTEM	2	LEGAL MATTERS	19
Certificated Notes.....	3	CONTINUING DISCLOSURE	19
THE VILLAGE	3	Historical Compliance.....	19
General Information	3	LITIGATION	20
Recent Economic Developments.....	4	BOND RATING	20
Population Trends	4	MUNICIPAL ADVISOR	20
Larger Employers	4	CUSIP IDENTIFICATION NUMBERS	20
Wealth and Income Indicators.....	5	MISCELLANEOUS	21
Unemployment Rate Statistics	5	APPENDIX - A	
Form of Village Government	5	GENERAL FUND - Balance Sheets	
Financial Organization	5	APPENDIX – A1	
Budgetary Procedures.....	6	GENERAL FUND – Revenues, Expenditures and	
Investment Policy	6	Changes in Fund Balance – Actual	
State Aid.....	6	APPENDIX – A2	
Employees	6	GENERAL FUND – Revenues, Expenditures and	
Pension Payments.....	7	Changes in Fund Balance – Budget and Actual	
Other Post-Employment Benefits	8	APPENDIX – A3	
Other Information.....	9	Changes in Fund Equity	
Financial Statements	9	APPENDIX - B	
New York State Comptroller Report of Examination.....	9	BONDED DEBT SERVICE	
Fiscal Stress Monitoring System.....	10	APPENDIX – B1-B2	
TAX INFORMATION	10	CURRENT BONDS OUTSTANDING	
Taxable Assessed Valuations	10	APPENDIX – C	
Tax Rate Per \$1,000 (Assessed).....	10	UNDERTAKING TO PROVIDE NOTICES OF	
Tax Collection Record.....	11	CERTAIN EVENTS	
Tax Collection Procedure	11		
Larger Taxpayers 2018 for 2018-2019 Assessment Roll.....	11		
Constitutional Tax Margin	11		
Additional Information	12		
TAX LEVY LIMITATION LAW	12		
STATUS OF INDEBTEDNESS	12		
Constitutional Requirements	12		
Statutory Procedure	13		
Debt Outstanding End of Fiscal Year.....	14		
Details of Outstanding Indebtedness	14		
Debt Statement Summary.....	14		
Bonded Debt Service.....	15		
Cash Flow Borrowings.....	15		
Capital Project Plans	15		
Estimated Overlapping Indebtedness	15		
Debt Ratios.....	16		

PREPARED WITH THE ASSISTANCE OF

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OFFICIAL STATEMENT
of the
VILLAGE OF TUPPER LAKE
FRANKLIN COUNTY, NEW YORK
Relating To
\$2,700,000 Bond Anticipation Notes, 2019

This Official Statement, which includes the cover page, has been prepared by the Village of Tupper Lake, Franklin County, New York (the "Village," "County," and "State," respectively), in connection with the sale by the Village of \$2,700,000 Bond Anticipation Notes, 2019 (the "Notes").

The factors affecting the Village'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 Village's tax base, revenues, and expenditures, this Official Statement should be read in its entirety.

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

THE NOTES

Nature of Obligation

The Notes are general obligations of the Village, 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 Village is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations imposed by Chapter 97 of the 2011 Laws of New York. See "TAX LEVY LIMITATION LAW" herein.

Description of the Notes

The Notes are dated October 10, 2019 and mature on October 9, 2020, without the option of prior redemption. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in either (i) certificated form registered in the name of the purchaser, or (ii) at the option of the purchaser, as registered notes, and, if so issued, registered in the name of Cede & Co. as nominee of Depository Trust Company ("DTC"), which will act as the securities depository for the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

Purposes of Issue

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including the Village Law and the Local Finance Law, and pursuant to a bond resolution adopted by the Village Board of Trustees on March 20, 2019 authorizing the issuance of \$2,700,000 in serial bonds of the Village to finance the cost of the construction of a new municipal electric department garage and office building at a maximum estimated cost of \$3,000,000.

The proceeds of the Notes will provide new monies for the above mentioned purposes.

BOOK-ENTRY-ONLY SYSTEM

If the Notes are issued in book-entry-only registered form, The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Notes. 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 the Notes bearing the same rate of interest and CUSIP number, and will be deposited with DTC.

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

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes, as the case may be, 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 Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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 Village, 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 Village, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

The Village may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond 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 Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

THE VILLAGE CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE (1) PAYMENTS OF PRINCIPAL OF OR INTEREST 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 VILLAGE WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST 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 VILLAGE MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

Certificated Notes

If the book-entry form is initially chosen by the purchaser of the Notes, DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the Village and discharging its responsibilities with respect thereto under applicable law, or the Village may terminate its participation in the system of book-entry-only system transfers through DTC at any time. In the event that such book-entry-only system is utilized by a purchaser of the Notes upon issuance and later discontinued, the following provisions will apply:

The Notes will be issued in fully registered form in denominations of \$5,000 or integral multiples thereof. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the Village. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE VILLAGE

General Information

The Village of Tupper Lake was founded in 1903 and is located in the Adirondack region of Upstate New York. The Village has a total area of 1.8 square miles. It is located within the Town of Tupper Lake (the "Town") in the southwest corner of Franklin County. It is approximately 30 miles from Lake Placid, New York, which was the site of the 1980 Winter Olympic Games. The cities of Albany, Syracuse, Utica and Watertown, New York, and Montreal, Quebec and Ottawa, Ontario, Canada are within a 160 mile radius of the Village. The Village is located in the heart of the Adirondack Park about 21 miles southwest of Saranac Lake and is the center of several small hamlets located in the vicinity.

The Village is perfectly situated between the western High Peaks and many of the great and historic Adirondack waterways including the Raquette and Bog Rivers, Raquette Pond and Tupper Lake, Lows Lake, Little Tupper Lake, Lake Lila, and the Saranacs. Mt. Morris and Raquette Pond offer unparalleled backdrops from almost any vantage point in the

community. Proximity to these natural assets make the Village a great base camp for numerous recreational activities and to the community's quality of life.

The Village contains two major thoroughfares, the 170-mile Olympic Scenic Byway and the 188-mile Adirondack Trail Scenic Byway, or NYS Routes 3 and 30 respectively. This unique intersection of Byways has given Tupper Lake the namesake of “The Crossroads of the Adirondacks”. The Byways are the primary routes of entry into and through the Village of Tupper Lake and provide regional connections to the Olympic and High Peaks Regions. The Adirondack Regional Airport is within thirty minutes of Downtown Tupper Lake.

Approximately 43% of the Village (in land area) is zoned for high density residential uses. Industrial zoning accounts for 20% of the Village and commercial zoning encompasses just under 13% of the Village. The majority of properties in the Village are privately owned residential homes and multifamily housing.

The Village is taking a place-based approach to revitalization and economic development by enhancing and linking three distinct areas: Uptown, Downtown, and Demars Boulevard (NYS Route 3). Uptown and Downtown represent two “village centers” that are unique, but complimentary, and are connected by the waterfront and Demars Boulevard. While Uptown and Downtown are older established neighborhoods that have retained much of their original character, Demars Boulevard, with its underutilized commercial uses and adjacent waterfront represents the greatest opportunity for growth and development in the Village. To attract public and private investment to the area and use the corridor to create linkages between the two Village centers, the Village is implementing a comprehensive redevelopment strategy that includes key public improvements in its waterfront parks and design standards for public and private redevelopment.

The primary source of employment is a State-operated facility for the developmentally disabled. Tourism in both winter and summer also provides employment, as do various logging companies in the area.

The Village is a full-service municipality providing street and sidewalk maintenance, residential trash pick-up, code enforcement, and police services to Village residents and visitors along with public water, sewer, fire protection, and electric service to residents and customers in the Village and in the Town of Tupper Lake. Educational facilities include the Tupper Lake School District. The Village is also served by Adirondack Medical Center/Adirondack Health.

Recent Economic Developments

A major development in the Tupper Lake region is the \$500 million Adirondack Club and Resort, which is planned for a 6,400-acre tract of land a couple of miles south of the Village center. Over the next 15 years, the project's developers expect to build 700 condominiums, vacation homes and luxury "great camps," along with a 60-bedroom hotel. The developers plan to revitalize an existing ski slope (Big Tupper), a golf course and a marina. There are still several development agency hurdles for the project to overcome, before the project proceeds.

Population Trends

<u>Year</u>	<u>Village of Tupper Lake</u>	<u>Franklin County</u>	<u>New York State</u>
1990	4,114	46,208	17,990,445
2000	3,977	51,431	18,976,457
2010	3,667	51,599	19,378,102
2018	3,487	50,293	19,542,209

Source: U.S. Census Bureau, Population Division

Larger Employers

<u>Name</u>	<u>Type</u>	<u>Number of Employees</u>
Sunmount DDSO, New York State	Direct Care for Disabled Individuals	800
Tupper Lake Central School District	K-12 School	200
Adirondack Health/Medical Center	Nursing Home & Medical Office	100
Wild Center	Natural History Museum	90
Tupper Lake Hardwood	Lumber Processing	50

Source: Village officials.

Wealth and Income Indicators

Per capita income statistics are available for the Village, Town, County and State. Listed below are select figures from U.S. Census reports.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2013-2017</u>	<u>2000</u>	<u>2006-2010</u>	<u>2013-2017</u>
Village of: Tupper Lake	\$ 15,567	\$ 21,259	\$ 27,930	\$ 40,152	\$ 48,094	\$ 61,518
Town of Tupper Lake	N/A	22,939	27,861	N/A	55,944	66,693
County of: Franklin	15,888	19,807	24,294	38,472	50,816	61,377
State of: New York	23,389	30,948	31,177	51,691	67,405	70,850

Note: 2014-2018 data is not available at this time.

Source: U.S. Census Bureau, 2006-2010 and 2013-2017 American Community Survey.

Unemployment Rate Statistics

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

	<u>Annual Average</u>							
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Franklin County	9.1%	9.6%	8.8%	7.3%	6.5%	5.7%	6.0%	5.2%
New York State	8.3%	8.5%	7.7%	6.3%	5.3%	4.9%	4.7%	4.1%

	<u>2019 Monthly Figures</u>								
	<u>Jan</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>
Franklin County	5.8%	5.7%	5.6%	4.9%	4.4%	4.0%	4.5%	N/A	N/A
New York State	4.6%	4.4%	4.1%	3.6%	3.8%	3.8%	4.2%	N/A	N/A

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

Form of Village Government

As prescribed by Village Law, the chief executive officer of the Village is the Mayor who is elected for a term of two years and is eligible to succeed himself. He is also a member of the Board of Trustees. In addition to the Mayor, there are four Trustees who are elected for two-year terms. The terms are staggered so that the Mayor and two Trustees run for election in one year and two Trustees run the following year.

The Board of Trustees appoints all department heads and non-elected officials.

Financial Organization

The Village Treasurer is the Chief Fiscal Officer of the Village whose duty it is to receive, disburse and account for all financial transactions.

Budgetary Procedure

The Village Treasurer prepares the proposed budget each year, as directed by the Mayor and Board of Trustees, pursuant to the Laws of the State of New York, and a public hearing is held thereon. Subsequent to the public hearing revisions, if any, are made and the budget is then adopted by the Village Board of Trustees as its final budget for the coming fiscal year. The budget is not subject to referendum.

The Village's tax levy increased by 0.035% in the 2017-18 fiscal year and remained within its maximum allowable tax levy limit.

The Village's tax levy increased by 1.75% in the 2018-19 fiscal year and remained within its maximum allowable tax levy limit.

The Village's tax levy increased by 1.976% in the 2019-20 fiscal year and remained within its maximum allowable tax levy limit. See "TAX LEVY LIMITATION LAW" herein.

Investment Policy

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

The Village has a formal written investment policy in place.

State Aid

The Village receives financial assistance from the State. In its budget for the 2019-2020 fiscal year, approximately 12.9% of the revenues of the Village are estimated to be received in the form of State aid. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Village, in any year, the Village may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments. Additionally, if the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Village, may be affected by a delay in the payment of State aid.

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

Employees

The Village provides services through approximately 41 full-time employees, of whom 36 are represented by unions as follows:

<u>Union</u>	<u>Approximate Number of Employees</u>	<u>Contract Expiration Date</u>
CSEA, Local 1000, AFSCME, AFL-CIO, Unit I	15	May 31, 2021
CSEA, Local 1000, AFSCME, AFL-CIO, Unit II	8	May 31, 2021
CSEA, Local 1000, AFSCME, AFL-CIO, Unit III	10	May 31, 2021

Source: Village officials.

Pension Payments

Substantially all employees of the Village are members of the New York State and Local Employees' Retirement System ("ERS") or the New York State and Local Police and Fire Retirement System ("PFRS"; with ERS, the "Retirement Systems"). The ERS is generally also known as the "Common Retirement Fund". The Retirement Systems are cost-sharing multiple public employer retirement systems. The obligation of employers and employees to contribute and the benefit to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The Retirement Systems offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems.

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

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

For both ERS & PFRS, Tier 5 provides for:

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

For both ERS & PFRS, Tier 6 provides for:

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

The Village's payments to ERS and PFRS since the 2014-15 fiscal year have been as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>PFRS</u>
2014-15	\$ 306,015	\$ 142,193
2015-16	255,935	80,450
2016-17	229,623	106,394
2017-18	244,410	114,965
2018-19	236,355	84,146
2019-20 (Budgeted)	280,000	105,000

Note: The Village is paying the full retirement contribution and is not amortizing any portion of its retirement obligation as a result of the increased contribution rates over the last couple of years. Contribution increases were anticipated and budgeted for during the development of the annual budgets.

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

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

A chart of average ERS and PFRS rates (2017 to 2021) is shown below:

<u>Year</u>	<u>ERS</u>	<u>PFRS</u>
2017	15.5%	24.3%
2018	15.3	24.4
2019	14.9	23.5
2020	14.6	23.5
2021	14.6	24.4

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

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

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

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

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

Other Post-Employment Benefits

The Village does not currently have any post-retirement healthcare benefit (OPEB) liabilities.

Other Information

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

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

The fiscal year of the Village is June 1st to May 31st.

The procedure for the validation of the Notes provided in Title 6 of Article 2 of the Local Finance Law has been complied with prior to the issuance of the Notes.

Except for as outlined under “STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness” herein, this Official Statement does not include the financial data of any other political subdivision having power to levy taxes within the Village.

Financial Statements

The Village prepared unaudited financial statements for the 2018 fiscal year which are available and can be obtained by contacting the Village or Fiscal Advisors & Marketing, Inc. Certain financial information of the Village may be found in the Appendices to this Official Statement.

In addition, the State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the Village has complied with the requirements of various State and Federal statutes. These audits can be searched on the Office of the State Comptroller website. There have not been any recent State Comptroller audits of the Village nor are any in progress.

The Village complies with the Uniform System of Accounts as prescribed for villages in New York State. This system differs from generally accepted accounting principles 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).

Fund Balance Expectations for Fiscal Year Ending 2019

The Village expects to end the fiscal year that ended May 31, 2019 with a General Fund unassigned fund balance of \$201,056.

Summary unaudited information for the General Fund for the period ending May 31, 2019 is as follows:

Revenues:	\$	3,096,006
Expenditures:		<u>3,197,548</u>
Excess (Deficit) Revenues Over Expenditures:	\$	<u>(101,541)</u>
Total General Fund Balance at May 31, 2018:	\$	402,598
Total Estimated General Fund Balance at May 31, 2019:	\$	301,056

The Village anticipates the unaudited Annual Update Document for the fiscal year ending May 31, 2019 to be available on or about October 7, 2019.

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

New York State Comptroller Report of Examination

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

There have not been any recent State Comptroller audits of the Village nor are any in progress.

Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State's school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller has developed a Fiscal Stress Monitoring System ("FSMS") to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State's school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district's ST-3 report filed with the State Education Department annually, and each municipality's annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in "significant fiscal stress", in "moderate fiscal stress," as "susceptible to fiscal stress" or "no designation". Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of "no designation." This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity's financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The reports of the State Comptroller for the five most recent available fiscal years of the Village are as follows:

<u>Fiscal Year Ended</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2018	No Designation	22.1%
2017	No Designation	0.0%
2016	No Designation	12.5%
2015	No Designation	6.3%
2014	No Designation	34.6%

Source: Website of the Office of the New York State Comptroller. 2019 data is not available as of the date of this Official Statement.

TAX INFORMATION

Taxable Assessed Valuations

<u>Fiscal Year Ending May 31:</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Assessed Valuation	\$ 137,295,474	\$ 137,121,279	\$ 137,143,931	\$ 141,485,414	\$ 141,759,758
New York State Equalization Rate	100.00%	100.00%	100.00%	100.00%	100.00%
Total Taxable Full Valuation	\$ 137,295,474	\$ 137,121,279	\$ 137,143,931	\$ 141,485,414	\$ 141,759,758

Source: Village officials.

Tax Rate Per \$1,000 (Assessed)

<u>Fiscal Year Ending May 31:</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Village	\$ 13.67	\$ 13.80	\$ 13.81	\$ 13.90	\$ 14.15

Source: Village officials.

Tax Collection Record

<u>Fiscal Year Ending May 31:</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total Tax Levy	\$ 1,876,934	\$ 1,892,640	\$ 1,893,625	\$ 1,893,625	\$ 2,005,939
Amount Uncollected ⁽¹⁾	-	-	-	-	N/A
% Uncollected	0.00%	0.00%	0.00%	0.00%	N/A

⁽¹⁾ Uncollected taxes include all funds. The total tax levy above is for the General Fund only.

Source: Village officials.

Tax Collection Procedure

Taxes are due during the month of June without penalty. A 5% penalty is added during the month of July and 1% additional for each month or fraction thereafter until paid.

On November 1, the Village returns the uncollected taxes to Franklin County, which assumes collection responsibility and holds annual tax sales. The full amount of the Village taxes is guaranteed by the County.

Larger Taxpayers 2019 for 2019-2020 Assessment Roll

<u>Name</u>	<u>Type</u>	<u>Assessed Valuation</u>
Tupper Lake Associates LLC	Shopping Plaza	\$ 1,594,600 ⁽¹⁾
Wec 98G-25 LLC (Rite Aid)	Drug Store	1,484,400
Niagara Mohawk Power Corp	Electric Utility	1,404,855
Aubuchon Realty Company, Inc.	Hardware Retail	1,250,800
Doolen, Terrance (Shaheen's Motel)	Motel	602,600
Lawrence Home Corporation	Retail Family Dollar	568,000
Tupper Lake National Bank (Comm Bank)	Bank	498,600
McDonalds Corp 31-0751	Fast Food	475,000
Tupper Lake of Albany LP	Shopping Plaza	455,000
Day Wholesale Properties, LLC	Wholesale Foods	430,000
Verizon New York Inc.	Telephone	346,341

The larger taxpayers, listed above, have a total assessed valuation of \$9,110,196, which represents 6.4% of the tax base of the Village.

⁽¹⁾ Filed tax certiorari to reduce assessment. No additional information is available as of the date of this Official Statement.

Note: There are no changes to the above list from the 2018-2019 Assessment Roll.

Source: Village officials.

Constitutional Tax Margin

Computation of Constitutional Tax Margin for fiscal years ending May 31, 2018 through 2020:

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Five-Year Average Full Valuation	\$ 137,056,318	\$ 137,978,912	\$ 140,450,492
Tax Limit - (2%).....	<u>2,741,126</u>	<u>2,759,578</u>	<u>2,809,010</u>
Add: Exclusions From Tax Limit	0	0	0
Total Taxing Power	\$ 2,741,126	\$ 2,759,578	\$ 2,809,010
Less: Total Levy	<u>1,893,625</u>	<u>1,966,302</u>	<u>1,892,640</u>
Tax Margin	<u>\$ 847,501</u>	<u>\$ 793,276</u>	<u>\$ 916,370</u>

Source: Village officials.

Additional Information

Real property within the Village is assessed by the Town Assessor and those assessed values are then utilized by the Village for real property taxes.

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

The assessment roll of the Village is constituted approximately as follows: 76% Residential and 24% Commercial.

The total property tax bill of a typical residence with a market value of \$100,000 is estimated to be \$3,705.50 including County, Village and School District taxes. (County Tax Rate \$4.560787, Village Tax Rate \$13.8980, School Tax Rate \$14.3979 and Town Tax Rate \$4.198266).

TAX LEVY LIMITATION LAW

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

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. Recent legislation has made the Tax Levy Limitation Law 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 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 Law (June 24, 2011).

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 limits the power of the Village (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 Village and the Notes include the following:

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

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

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

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

Statutory Procedure

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

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

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

- (1) Such obligations are authorized for a purpose for which the Village is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations

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

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

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

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

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

Statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first of such notes and provided that such renewals do not exceed five years beyond the original date of

borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein, and "Details of Outstanding Indebtedness" herein).

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

Debt Outstanding End of Fiscal Year

<u>Fiscal Years Ending May 31:</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Bonds	\$ 806,625	\$ 5,330,705	\$ 5,086,215	\$ 5,783,066	\$ 5,461,556
Bond Anticipation Notes	<u>2,235,000</u>	<u>1,694,000</u>	<u>877,000</u>	<u>3,209,808</u> ⁽¹⁾	<u>3,536,937</u> ⁽¹⁾
Total Debt Outstanding	<u>\$ 3,041,625</u>	<u>\$ 7,024,705</u>	<u>\$ 5,963,215</u>	<u>\$ 8,992,874</u>	<u>\$ 8,998,493</u>

⁽¹⁾ Represents short-term financing issued through the Environmental Facilities Corporation.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the Village evidenced by bonds and notes as of September 17, 2019:

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount Outstanding</u>
<u>Bonds</u>	2019-2045	\$ 5,409,950
<u>Bond Anticipation Notes</u>		
EFC Short-Term Financing (Sewer Project)	December 20, 2019	\$ 327,129
EFC Short-Term Financing (Water Project)	September 27, 2023	<u>3,209,808</u>
	Total Indebtedness	<u>\$ 8,946,887</u>

Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of September 17, 2019:

Five-Year Average Full Valuation	\$ 138,961,171
Debt Limit - 7% thereof.....	9,727,282

Inclusions:

Bonds.....	\$ 5,409,950
EFC Short-Term Obligations	<u>3,536,937</u>
Total Inclusions	\$ 8,946,887

Exclusions:

Water Indebtedness Bonds ⁽¹⁾	\$ 136,400
EFC Short Term Obligations ⁽¹⁾	3,209,808
Appropriations Bonds	<u>255,000</u>
Total Exclusions	<u>\$ 3,601,208</u>

Total Net Indebtedness	<u>\$ 5,345,679</u>
Net Debt-Contracting Margin	<u>\$ 4,381,603</u>
The percent of debt contracting power exhausted is	54.96%

⁽¹⁾ Water Debt is excluded pursuant to Article VIII, Section 5B of the New York State Constitution.

Note: The issuance of the Notes will increase the total net indebtedness of the Village by \$2,700,000.

Bonded Debt Service

A schedule of Bonded Debt Service may be found in “APPENDIX – B” to this Official Statement.

Cash Flow Borrowings

The Village issued revenue anticipation notes in November 2011 in the amount of \$400,000 and in March 2014 in the amount of \$450,000, both in anticipation of income derived from the Village’s municipally owned electric distribution system. The Village does not currently anticipate the need to issue such notes in the foreseeable future.

Capital Project Plans

The Village is undertaking the following projects:

- Ground Water Supply Project utilizing \$2,000,000 of Hardship Grant proceeds from NYS EFC and \$4.22 million at 0% interest financing. Construction commenced in spring 2016. The Village received an additional \$1,000,000 in grant monies from the State and anticipates financing \$3.22 million at 0% interest financing. \$3.2 million is currently outstanding through EFC short-term financing for the project.
- An additional \$1.5 million will be financed through NYS EFC at 0% interest financing to install water meters as part of our Ground Water Supply Project bringing the total to \$4.72 million at 0% interest financing. The Village has begun draw-downs on the project.
- On September 10, 2019, the Village competitively sold a four year \$107,000 statutory installment bond (“SIB”) at an interest rate of 1.99%. The SIB is expected to close on September 24, 2019. Principal and interest payments will be made annually commencing September 15, 2020 through September 15, 2023. The Village anticipates issuing a five year SIB in 2020 for a new single axle sand truck.

Estimated Overlapping Indebtedness

In addition to the Village, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the Village. The estimated 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>Village Share</u>	<u>Applicable Indebtedness</u>
County of:						
Franklin	12/31/2017	\$ 3,460,151	\$ 1,815,919	\$ 1,644,232	3.89%	\$ 63,961
Town of:						
Tupper Lake	12/31/2017	4,174,853	1,789,298 ⁽²⁾	2,385,555	30.61%	730,218
School District:						
Tupper Lake	6/30/2018	12,247,286	9,601,872 ⁽³⁾	2,645,414	31.12%	<u>823,253</u>
					Total:	<u>\$ 1,617,432</u>

Notes:

⁽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. Pursuant to the Local Finance Law, this indebtedness is excluded from the constitutional debt limit.

⁽³⁾ Estimated State building aid.

Sources of information: Most recent available State Comptroller’s Special Report for the respective fiscal year.

Debt Ratios

The following table sets forth certain ratios relating to the Village's net indebtedness as of September 17, 2019

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Gross Indebtedness (see Debt Statement Summary)	\$ 8,946,887	\$ 2,565.78	6.31%
Net Indebtedness (see Debt Statement Summary)	5,345,679	1,533.03	3.77%
Gross Plus Net Overlapping Indebtedness ^(c)	10,564,319	3,029.63	7.45%
Net Plus Net Overlapping Indebtedness ^(c)	6,963,111	1,996.88	4.91%

(a) According to 2018 Census estimates, the population of the Village is 3,487.

(b) The Village's full value of taxable real estate for 2019-2020 is \$141,759,758.

(c) The Village's estimated applicable share of net underlying indebtedness is \$1,617,432. (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 Village and the holder thereof. Under current law, provision is made for contract creditors of the Village 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 Village 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 Village may not be enforced by levy and execution against property owned by the Village.

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

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

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

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

Under the Federal Bankruptcy Code, a petition may be filed in the Federal bankruptcy court by a municipality which is generally not paying or is unable to pay its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality's debt, which may modify or alter the rights of creditors and which could be secured.

Any plan of adjustment confirmed by the court must be approved by the requisite number of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

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

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

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

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

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

Default Litigation. In prior years, certain events and legislation affecting a holder's remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders, such courts might in the future hold that certain 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 "THE NOTES – Nature of Obligation" and "State Debt Moratorium Law" herein.

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

MARKET AND RISK FACTORS

The financial condition of the Village as well as the market for the Notes could be affected by a variety of factors, some of which are beyond the Village's control. There can be no assurance that adverse events in the State, 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 Village to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Notes, could be adversely affected.

The Village 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 and revenues in order to pay State aid to municipalities and school districts in the State, including the Village, in any year, the Village may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the Village. In several recent years, the Village 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. (See also "THE VILLAGE - State Aid").

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 Village could have an impact upon the market price of the Notes. See "TAX LEVY LIMITATION LAW" herein.

Cybersecurity. The Village, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the Village will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant.

TAX MATTERS

In the opinion of Bond Counsel, based on existing statutes, regulations, administrative rulings and court decisions and assuming compliance by the Village with certain covenants and the accuracy of certain representations, interest on the Notes is excluded from gross income for federal income tax purposes and is not an "item of tax preference" for purposes of federal alternative minimum tax on individuals.

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

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

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

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

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

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

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

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

LEGAL MATTERS

The legality of the authorization and issuance of the Notes will be covered by the approving legal opinion of Harris Beach PLLC, Bond Counsel, Pittsford, New York. Such legal opinion will state that in the opinion of Bond Counsel (i) the Notes have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Village, all the taxable property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to statutory limitations (See "TAX LEVY LIMITATION LAW" herein), provided, that the enforceability (but not the validity) of the Notes may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal) affecting the enforcement of creditors' rights, (ii) under existing statutes, regulations, administrative rulings and court decisions, interest on the Notes is excluded from the gross income of the owners thereof for Federal income tax purposes, is not an "item of tax preference" for purposes of the Federal alternative minimum taxes imposed on individuals and corporations by the Code; (iii) interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including the City of New York); and (iv) based upon Bond Counsel's examination of law and review of the respective arbitrage certificate executed by the Village Treasurer of the Village pursuant to Section 148 of the Code and the regulations thereunder, the facts, estimates and circumstances as set forth in said arbitrage certificate are sufficient to satisfy the criteria which are necessary under Section 148 of the Code to support the conclusion that the Notes will not be an "arbitrage bonds" within the meaning of said section, and no matters have come to Bond Counsel's attention which makes unreasonable or incorrect the representations made in said arbitrage certificates.

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

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 Village will enter into an Undertaking to Provide Notice of Certain Events, descriptions of which is attached hereto as "APPENDIX – C."

Historical Compliance

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

LITIGATION

The Village, like other municipalities, is subject to a number of lawsuits in the ordinary conduct of its affairs. The Village does not anticipate that any current, pending or threatened litigation, individually or in the aggregate, are likely to have a material adverse effect on the financial condition of the Village.

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the Village, threatened against or affecting the Village to restrain or enjoin 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 Village taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the Village.

BOND RATING

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 Village and at the expense of the purchaser(s), including any fees to be incurred by the Village, as such rating action will result in a material event notification to be posted to EMMA which is required by the Village.

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned their rating of "A" with a stable outlook to the Village's outstanding serial bonds. A rating reflects only the view of the rating agency assigning such rating any desired explanation of the significance of such rating should be obtained from S&P, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 553-0038, Fax: (212) 553-1390.

A rating reflects only the view of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Generally, rating agencies base their ratings on the information and materials furnished to it and on investigations, studies and assumptions by the respective rating agency. There is no assurance that a rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of the rating may have an adverse effect on the market price of the Notes.

MUNICIPAL ADVISOR

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

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 Village provided, however; the Village assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

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

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 Village will furnish a certificate to the effect that as of the date of the Official Statement, this Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, 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 Village.

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

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 Village nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the Village disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Fiscal Advisors & Marketing, Inc. and the Village also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

Harris Beach PLLC, Pittsford, New York, Bond Counsel to the Village, expresses no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the Village for use in connection with the offer and sale of the Notes, including but not limited to, the financial or statistical information in this Official Statement.

The Village's Bond Counsel contact information is as follows: Charles I. Schachter, Esq., Harris Beach PLLC, 99 Garnsey Road, Pittsford, New York 14534, Phone (585) 419-8633, Fax (585) 419-8801, Email: cschachter@harrisbeach.com.

The Village contact information is as follows: Ms. Mary A. Casagrain, Village Clerk/Treasurer, Village of Tupper Lake, 53 Park Street, PO Box 1290, Tupper Lake, New York 12986, phone: (518) 359-3341, fax: (518) 359-7802, email: villtuplake@centralny.twcbc.com.

VILLAGE OF TUPPER LAKE

Dated: September 17, 2019

**/s/ _____
Village Clerk/Treasurer**

GENERAL FUND

Balance Sheets

Fiscal Years Ending May 31:	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>ASSETS</u>					
Cash	\$ 116,045	\$ 351,478	\$ 604,288	\$ 470,629	\$ 280,035
Cash Restricted	10,379	11,295	10,381	10,382	10,383
Taxes Receivable	94,011	91,765	90,496	98,260	95,893
Due from Other Funds	-	2	75,001	95,000	30,002
Due from Other Governments	-	-	21,479	-	-
State and Federal Aid Receivables	192,518	258,662	183,746	257,339	154,237
Prepaid Expenses	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u><u>\$ 412,953</u></u>	<u><u>\$ 713,202</u></u>	<u><u>\$ 985,391</u></u>	<u><u>\$ 931,610</u></u>	<u><u>\$ 570,550</u></u>
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 31,426	\$ 24,457	\$ 251,296	\$ 39,209	\$ 71,108
Accrued Liabilities	-	-	-	-	-
Other Liabilities	-	-	-	-	250
Deferred Revenues	5,000	5,000	5,000	-	700
Due to Other Funds	206,236	91,765	90,496	98,260	95,894
Due to NYS Retirement System	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Policemen's Terminal Leave	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u><u>\$ 242,662</u></u>	<u><u>\$ 121,222</u></u>	<u><u>\$ 346,792</u></u>	<u><u>\$ 137,469</u></u>	<u><u>\$ 167,952</u></u>
<u>FUND EQUITY</u>					
Restricted	\$ 10,379	\$ 11,295	\$ 10,381	\$ 80,382	\$ 21,583
Assigned	50,000	75,000	75,000	75,000	135,000
Unassigned	109,912	505,685	553,218	638,759	246,015
	<u>170,291</u>	<u>591,980</u>	<u>638,599</u>	<u>794,141</u>	<u>402,598</u>
TOTAL FUND EQUITY	<u><u>170,291</u></u>	<u><u>591,980</u></u>	<u><u>638,599</u></u>	<u><u>794,141</u></u>	<u><u>402,598</u></u>
TOTAL LIABILITIES and FUND EQUITY	<u><u>\$ 412,953</u></u>	<u><u>\$ 713,202</u></u>	<u><u>\$ 985,391</u></u>	<u><u>\$ 931,610</u></u>	<u><u>\$ 570,550</u></u>

Source: Annual financial reports (unaudited) of the Village. This Appendix is not itself audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending May 31:	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>REVENUES</u>					
Real Property Taxes	\$ 1,814,036	\$ 1,784,885	\$ 1,824,312	\$ 1,876,934	\$ 1,948,048
Other Tax Items	55,458	47,938	50,928	38,628	43,265
Non-Property Taxes	39,854	39,697	37,512	37,284	39,535
Departmental Income	43,625	46,725	47,437	49,457	51,496
Intergovernmental Charges	152,773	205,826	219,141	238,504	279,399
Use of Money & Property	4,412	4,305	4,286	4,277	4,364
Licenses and Permits	3,410	6,717	4,877	7,156	6,520
Fines and Forfeitures	62,290	21,551	34,360	37,642	32,283
Sale of Property and Compensation for Loss	61,073	18,720	56,289	64,432	151,693
Interfund Revenues	-	-	-	-	25,000
Miscellaneous	10,743	175,824	44,824	11,968	24,967
Revenues from State Sources	202,698	510,772	481,929	357,934	373,455
Revenues from Federal Sources	-	3,307	-	345,091	-
Total Revenues	<u>\$ 2,450,372</u>	<u>\$ 2,866,267</u>	<u>\$ 2,805,895</u>	<u>\$ 3,069,307</u>	<u>\$ 2,980,025</u>
<u>EXPENDITURES</u>					
General Government Support	\$ 301,112	\$ 699,368	\$ 338,812	\$ 534,231	\$ 352,817
Public Safety	872,708	779,411	773,793	891,209	876,739
Health	14,569	15,414	15,860	16,181	16,370
Transportation	522,352	559,881	548,413	673,126	647,833
Economic Assistance & Opportunity	24,077	17,942	18,375	44,656	21,155
Culture and Recreation	161,096	198,007	108,181	322,622	138,032
Home and Community Services	93,107	101,583	98,516	102,276	78,114
Employee Benefits	558,216	599,329	636,313	544,458	578,474
Debt Service	9,768	9,915	10,063	13,557	237,593
Total Expenditures	<u>\$ 2,557,005</u>	<u>\$ 2,980,850</u>	<u>\$ 2,548,326</u>	<u>\$ 3,142,316</u>	<u>\$ 2,947,127</u>
Excess of Revenues Over (Under) Expenditures	<u>(106,633)</u>	<u>(114,583)</u>	<u>257,569</u>	<u>(73,009)</u>	<u>32,898</u>
Other Financing Sources (Uses):					
Operating Transfers In	119,378	143,896	164,120	155,645	85,125
Operating Transfers Out	-	-	-	-	-
Total Other Financing	<u>119,378</u>	<u>143,896</u>	<u>164,120</u>	<u>155,645</u>	<u>85,125</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>12,745</u>	<u>29,313</u>	<u>421,689</u>	<u>82,636</u>	<u>118,023</u>
<u>FUND BALANCE</u>					
Fund Balance - Beginning of Year	128,233	140,978	170,291	591,980	638,599
Prior Period Adjustments (net)	-	-	-	(36,017)	37,519
Fund Balance - End of Year	<u>\$ 140,978</u>	<u>\$ 170,291</u>	<u>\$ 591,980</u>	<u>\$ 638,599</u>	<u>\$ 794,141</u>

Source: Annual financial reports (unaudited) of the Village. This Appendix is not itself audited.

GENERAL FUND

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

Fiscal Years Ending May 31:	2018		2019	
	Adopted <u>Budget</u>	Unaudited <u>Actual</u>	Adopted <u>Budget</u>	Adopted <u>Budget</u>
<u>REVENUES</u>				
Real Property Taxes	\$ 1,893,625	\$ 1,893,625	\$ 1,966,301	\$ 2,057,067
Other Tax Items	53,500	41,457	44,010	44,155
Non-Property Taxes	40,000	41,487	42,500	44,500
Departmental Income	45,150	50,800	45,150	45,150
Intergovernmental Charges	255,618	255,620	260,618	261,987
Use of Money & Property	4,300	4,336	4,350	4,350
Licenses and Permits	6,000	5,287	4,500	5,000
Fines and Forfeitures	45,000	31,918	38,000	38,725
Sale of Property and Compensation for Loss	35,000	78,933	32,500	-
Interfund Revenues	25,000	-	-	-
Miscellaneous	35,000	30,052	2,500	11,000
Revenues from State Sources	277,275	418,512	324,625	371,136
Revenues from Federal Sources	-	11,365	-	-
Total Revenues	<u>\$ 2,715,468</u>	<u>\$ 2,863,392</u>	<u>\$ 2,765,054</u>	<u>\$ 2,883,070</u>
<u>EXPENDITURES</u>				
General Government Support	\$ 233,691	\$ 328,561	\$ 236,661	\$ 242,252
Public Safety	933,316	1,020,270	907,392	949,517
Health	16,900	16,716	17,580	17,738
Transportation	513,260	782,516	589,190	599,770
Economic Assistance & Opportunity	21,500	18,225	22,000	22,000
Culture and Recreation	160,740	173,899	153,527	178,300
Home and Community Services	83,754	67,449	85,180	85,340
Employee Benefits	646,000	543,530	677,000	664,500
Debt Service	221,307	399,585	276,524	288,653
Total Expenditures	<u>\$ 2,830,468</u>	<u>\$ 3,350,751</u>	<u>\$ 2,965,054</u>	<u>\$ 3,048,070</u>
Excess of Revenues Over (Under) Expenditures	<u>(115,000)</u>	<u>(487,359)</u>	<u>(200,000)</u>	<u>(165,000)</u>
Other Financing Sources (Uses):				
Proceeds of Obligations	-	-	-	-
Operating Transfers In	40,000	95,816	65,000	65,000
Operating Transfers Out	-	-	-	-
Total Other Financing	<u>40,000</u>	<u>95,816</u>	<u>65,000</u>	<u>65,000</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(75,000)</u>	<u>(391,543)</u>	<u>(135,000)</u>	<u>(100,000)</u>
<u>FUND BALANCE</u>				
Fund Balance - Beginning of Year	75,000	794,141	135,000	100,000
Prior Period Adjustments (net)	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 402,598</u>	<u>\$ -</u>	<u>\$ -</u>

Source: Annual financial reports (unaudited) and budgets of the Village. This Appendix is not itself audited.

Changes In Fund Equity

Fiscal Years Ending May 31:	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>SPECIAL GRANT FUND</u>					
Fund Equity - Beginning of Year	\$ 14,562	\$ 23,374	\$ 25,069	\$ 17,373	\$ 16,857
Prior Period Adjustments (net)	-	-	-	-	(60)
Revenues & Other Sources	12,569	6,101	1,121	3,965	61
Expenditures & Other Uses	3,757	4,406	8,817	4,481	16,858
Fund Equity - End of Year	\$ 23,374	\$ 25,069	\$ 17,373	\$ 16,857	\$ -
<u>ENTERPRISE UTILITY FUND</u>					
Fund Equity - Beginning of Year	\$ 3,040,674	\$ 3,502,396	\$ 3,679,003	\$ 3,763,795	\$ 3,742,405
Prior Period Adjustments (net)	276,390	-	(54,339)	(42,830)	-
Revenues & Other Sources	5,306,903	4,067,756	3,870,700	3,926,056	4,554,673
Expenditures & Other Uses	5,121,571	3,891,149	3,731,569	3,904,616	4,160,952
Fund Equity - End of Year	\$ 3,502,396	\$ 3,679,003	\$ 3,763,795	\$ 3,742,405	\$ 4,136,126
<u>WATER FUND</u>					
Fund Equity - Beginning of Year	\$ 215,702	\$ 221,786	\$ 213,494	\$ 153,380	\$ 348,653
Prior Period Adjustments (net)	-	405	-	-	-
Revenues & Other Sources	732,442	736,452	739,923	937,599	909,223
Expenditures & Other Uses	726,358	745,149	800,037	742,326	817,702
Fund Equity - End of Year	\$ 221,786	\$ 213,494	\$ 153,380	\$ 348,653	\$ 440,174
<u>SEWER FUND</u>					
Fund Equity - Beginning of Year	\$ 282,474	\$ 316,750	\$ 358,997	\$ 378,097	\$ 291,086
Prior Period Adjustments (net)	-	-	-	(80,000)	-
Revenues & Other Sources	877,286	870,201	1,277,577	896,128	895,284
Expenditures & Other Uses	843,010	827,954	1,258,477	903,139	878,087
Fund Equity - End of Year	\$ 316,750	\$ 358,997	\$ 378,097	\$ 291,086	\$ 308,283
<u>CAPITAL PROJECTS FUND</u>					
Fund Equity - Beginning of Year	\$ (112,938)	\$ (396,794)	\$ (2,366,760)	\$ (745,469)	\$ (1,465,289)
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	1,245	199,080	4,738,569	23,271	2,671,460
Expenditures & Other Uses	285,101	2,169,046	3,117,278	743,091	4,413,096
Fund Equity - End of Year	\$ (396,794)	\$ (2,366,760)	\$ (745,469)	\$ (1,465,289)	\$ (3,206,925)

Source: Annual financial reports (unaudited) of the Village. This Appendix is not itself audited.

APPENDIX - B
Village of Tupper Lake

BONDED DEBT SERVICE

Fiscal Year Ending May 31st	Principal	Interest	Total
2020	\$ 321,806	\$ 165,732.51	\$ 487,538.51
2021	327,101	158,375.26	485,476.26
2022	252,397	150,743.51	403,140.51
2023	257,693	144,359.51	402,052.51
2024	267,989	137,293.75	405,282.75
2025	273,285	129,627.50	402,912.50
2026	233,581	121,448.75	355,029.75
2027	233,677	114,681.25	348,358.25
2028	248,973	107,743.75	356,716.75
2029	164,269	100,700.00	264,969.00
2030	164,565	95,925.00	260,490.00
2031	174,861	91,062.50	265,923.50
2032	180,157	85,943.75	266,100.75
2033	185,453	80,600.00	266,053.00
2034	190,749	74,937.50	265,686.50
2035	170,000	69,181.25	239,181.25
2036	175,000	63,193.75	238,193.75
2037	185,000	56,875.00	241,875.00
2038	190,000	50,287.50	240,287.50
2039	200,000	43,431.25	243,431.25
2040	205,000	36,306.25	241,306.25
2041	210,000	29,012.50	239,012.50
2042	155,000	22,750.00	177,750.00
2043	160,000	17,325.00	177,325.00
2044	165,000	11,725.00	176,725.00
2045	170,000	5,950.00	175,950.00
TOTALS	\$ 5,461,556	\$2,165,212.04	\$7,626,768.04

APPENDIX - B1
Village of Tupper Lake

CURRENT BONDS OUTSTANDING

	\$643,735		\$184,675		\$1,035,000	
	2003		2012		2015	
Fiscal Year	NYS EFC - 0% Interest		Serial Bond		Serial Bond	
Ending	General/Sewer Fund		Electric Fund		General Fund	
May 31st	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 21,606	\$ -	\$ 15,200	\$ 6,174	\$ 30,000	\$ 34,963
2021	21,901	-	15,200	5,490	30,000	33,913
2022	22,197	-	15,200	4,806	30,000	32,863
2023	22,493	-	15,200	4,122	30,000	31,813
2024	22,789	-	15,200	3,400	35,000	30,675
2025	23,085	-	15,200	2,640	35,000	29,450
2026	23,381	-	15,200	1,880	35,000	28,225
2027	23,677	-	15,000	1,125	35,000	27,000
2028	23,973	-	15,000	375	40,000	25,688
2029	24,269	-	-	-	40,000	24,288
2030	24,565	-	-	-	40,000	22,888
2031	24,861	-	-	-	45,000	21,400
2032	25,157	-	-	-	45,000	19,825
2033	25,453	-	-	-	45,000	18,194
2034	25,749	-	-	-	50,000	16,413
2035	-	-	-	-	50,000	14,538
2036	-	-	-	-	50,000	12,600
2037	-	-	-	-	55,000	10,500
2038	-	-	-	-	55,000	8,300
2039	-	-	-	-	60,000	6,000
2040	-	-	-	-	60,000	3,600
2041	-	-	-	-	60,000	1,200
TOTAL	\$ 355,156	\$ -	\$ 136,400	\$ 30,012	\$ 955,000	\$ 454,331

APPENDIX - B2
Village of Tupper Lake

CURRENT BONDS OUTSTANDING

Fiscal Year Ending May 31st	\$3,200,000		\$244,637		\$643,735		\$650,000		\$300,000	
	2015		2016		2016		2017		2018	
	Serial Bond General		SIB Water/Sewer		SIB General/Sewer Fund		Serial Bond General		Serial Bond General	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 75,000	\$ 101,894	\$ 50,000	\$ 2,090	\$ 30,000	\$ 1,194	\$ 60,000	\$ 13,994	\$ 40,000	\$ 5,425
2021	75,000	99,363	55,000	1,095	30,000	597	60,000	12,794	40,000	5,125
2022	80,000	96,831	-	-	-	-	60,000	11,519	45,000	4,725
2023	80,000	94,131	-	-	-	-	65,000	10,244	45,000	4,050
2024	85,000	91,431	-	-	-	-	65,000	8,863	45,000	2,925
2025	85,000	88,563	-	-	-	-	70,000	7,400	45,000	1,575
2026	90,000	85,694	-	-	-	-	70,000	5,650	-	-
2027	90,000	82,656	-	-	-	-	70,000	3,900	-	-
2028	95,000	79,619	-	-	-	-	75,000	2,063	-	-
2029	100,000	76,413	-	-	-	-	-	-	-	-
2030	100,000	73,038	-	-	-	-	-	-	-	-
2031	105,000	69,663	-	-	-	-	-	-	-	-
2032	110,000	66,119	-	-	-	-	-	-	-	-
2033	115,000	62,406	-	-	-	-	-	-	-	-
2034	115,000	58,525	-	-	-	-	-	-	-	-
2035	120,000	54,644	-	-	-	-	-	-	-	-
2036	125,000	50,594	-	-	-	-	-	-	-	-
2037	130,000	46,375	-	-	-	-	-	-	-	-
2038	135,000	41,988	-	-	-	-	-	-	-	-
2039	140,000	37,431	-	-	-	-	-	-	-	-
2040	145,000	32,706	-	-	-	-	-	-	-	-
2041	150,000	27,813	-	-	-	-	-	-	-	-
2042	155,000	22,750	-	-	-	-	-	-	-	-
2043	160,000	17,325	-	-	-	-	-	-	-	-
2044	165,000	11,725	-	-	-	-	-	-	-	-
2045	170,000	5,950	-	-	-	-	-	-	-	-
TOTAL	\$ 2,995,000	\$ 1,575,644	\$ 105,000	\$ 3,184	\$ 60,000	\$ 1,791	\$ 595,000	\$ 76,425	\$ 260,000	\$ 23,825

UNDERTAKING TO PROVIDE NOTICES OF CERTAIN EVENTS

At the time of delivery of the Notes, the Village will deliver to the purchasers an executed Undertaking to Provide Notices of Certain Events, which will provide as follows:

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 Commission pursuant to the Securities Exchange Act of 1934, the Village 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 EMMA system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission 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 Note, or other material events affecting the tax status of the Notes
- (g) modifications to rights of Note holders, if material
- (h) note calls, if material and tender offers
- (i) defeasances
- (j) release, substitution, or sale of property securing repayment of the Note
- (k) rating changes
- (l) bankruptcy, insolvency, receivership or similar event of the Village
- (m) the consummation of a merger, consolidation, or acquisition involving the Village or the sale of all or substantially all of the assets of the Village, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a financial obligation of the Village, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Village, any of which affect 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 Village, any of which reflect financial difficulties.

Event (c) listed above, 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) listed above, the Village does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes.

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

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

The Village reserves the right to terminate its obligation to provide the aforescribed notices of material events, as set forth above, if and when the Village no longer remains an obligated person with respect to the Notes within the meaning of the Rule. The Village acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the 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 Village’s obligations under its material event notices undertaking and any failure by the Village 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 Village reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Village; provided that the Village agrees that any such modification will be done in a manner consistent with the Rule.

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

The Village may amend the Undertaking upon a change in circumstances provided that (a) the Undertaking, as amended, would have complied with the requirements of the Rule at the time of this offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (b) in the opinion of nationally recognized bond counsel selected by the Issuer, the amendment does not materially impair the interests of the beneficial owners of the Notes.