PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 15, 2020

NEW AND RENEWAL ISSUES — **SERIAL BONDS & BOND ANTICIPATION NOTES**
BOND RATING: Moody's: "Baa3" — **See "RATINGS" herein.**

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

The Bonds and Notes will NOT be designated "qualified tax-exempt obligations" pursuant to Section 265(b) (3) of the Code.

$11,809,886

VILLAGE OF JOHNSON CITY

BROOME COUNTY, NEW YORK

GENERAL OBLIGATIONS

$2,200,000 Public Improvement (Serial) Bonds, 2020

(referred to herein as the "Bonds")

Dated: October 1, 2020 — **Due: October 1, 2021-2030**

MATURITIES

Year	Amount	Rate	Yield	CUSIP	Year	Amount	Rate	Yield	CUSIP
2021	$ 185,000				2026	$ 225,000			
2022	210,000				2027	225,000			
2023	215,000				2028	230,000			
2024	215,000				2029	235,000 *			
2025	220,000				2030	240,000 *			

* The Bonds maturing in the years 2029 to 2031 are subject to redemption prior to maturity as described herein under the heading "THE BONDS - Optional Redemption."

AND

$9,609,886 Bond Anticipation Notes, 2020

(referred to herein as the "Notes")

Dated: October 1, 2020 — **Due: October 1, 2021**

The Bonds and Notes are general obligations of the Village of Johnson City, Broome County, New York, (the "Village") all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and Notes and interest thereon, subject to applicable statutory limitations. See "NATURE OF THE OBLIGATIONS" and "TAX LEVY LIMITATION LAW" herein.

The Bonds shall be subject to redemption prior to maturity as described herein under "THE BONDS – Optional Redemption. The Notes are not be subject to redemption prior to maturity.

Proposals for the Bonds shall be for not less than $2,200,000 and accrued interest, if any, on the total principal amount of the Bonds. A good faith deposit will not be required.

The Bonds will be issued as registered bonds and may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which, if so elected by the purchaser, will act as securities depository for the Bonds. If the Bonds are issued in book-entry form, individual purchases will be in the principal amount of $5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on October 1, 2021 and semi-annually thereafter on April 1 and October 1 in each year until maturity. Principal and interest will be paid by the Village to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of $5,000 or any integral multiple thereof. Paying agent fees, if any, in such case are to be paid by the purchaser. The Bonds may not be converted into coupon bonds or be registered to bearer.

At the option of the purchaser, 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 the partnership nominee for The Depository Trust Company, New York, New York ("DTC").

If the Notes are issued registered in the name of the purchaser, a single note certificate will be issued for those Notes of an issue bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the Village.

If the Notes are issued in book-entry-only form, such notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of $5,000 or integral multiples thereof, except for a necessary odd denomination which is or includes $9,886. 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 Bonds and Notes are offered when, as and if issued and received by the purchasers and subject to the receipt of the respective approving legal opinions as to the validity of the Bonds and Notes of Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel. It is anticipated that the Bonds and Notes will be available for delivery in Jersey City, New Jersey, or as may be agreed upon, on or about October 1, 2020.

ELECTRONIC BIDS for the Bonds and Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on September 21, 2020 until 11:30 A.M., Eastern Time, pursuant to the respective Notices of Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the Village, each bid will constitute an irrevocable offer to purchase the Bonds and Notes pursuant to the terms provided in the respective Notices of Sale.

September __, 2020

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 SALES OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDERS, AS MORE FULLY DESCRIBED IN THE NOTICES OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. THE VILLAGE WILL COVENANT IN AN UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE AS DEFINED IN THE RULE WITH RESPECT TO THE BONDS. THE VILLAGE WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS AS DEFINED IN THE RULE WITH RESPECT TO THE NOTES. SEE "CONTINUING DISCLOSURE" HEREIN.

VILLAGE OF JOHNSON CITY
BROOME COUNTY, NEW YORK

VILLAGE BOARD

HON. GREGORY W. DEEMIE
Mayor

TRUSTEES

MARTIN MEANEY
CLARK GIBLIN
JOHN WALKER
BENJAMIN REYNOLDS

* * * * * * * *

CINDY KENNERUP
Village Clerk/Treasurer

THOMAS A. JOHNSON
Deputy Treasurer

Coughlin & Gerhart LLP
Attorneys for the Village

MUNICIPAL ADVISOR

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

BOND COUNSEL

orrick
ORRICK, HERRINGTON & SUTCLIFFE, LLP.
Bond Counsel

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

TABLE OF CONTENTS

OFFICIAL STATEMENT

of the

VILLAGE OF JOHNSON CITY
BROOME COUNTY, NEW YORK

Relating To

$2,200,000 Public Improvement (Serial) Bonds, 2020
And
$9,609,886 Bond Anticipation Notes, 2020

This Official Statement, which includes the cover page and inside cover page, has been prepared by the Village of Johnson City, Broome County, New York (the "Village", "County" and "State", respectively) in connection with the sale by the Village of $2,200,000 Public Improvement (Serial) Bonds, 2020 (the "Bonds") and $9,609,886 Bond Anticipation Notes, 2020 (the "Notes") (Collectively referred to herein as the "Bonds and Notes").

The factors affecting the Village's financial condition and the Bonds and 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 tax base, revenues and expenditures, this Official Statement should be read in its entirety, and no one factor should be considered more or less important than any other by reason of its relative position in this Official Statement.

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 Bonds and Notes and the proceedings of the Village relating thereto are qualified in their entirety by reference to the definitive forms of the Bonds and Notes and such proceedings.

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

THE BONDS

Description of the Bonds

The Bonds 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 Bonds 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 Bonds and interest thereon, subject to applicable statutory limitations. See "NATURE OF THE OBLIGATIONS" and "TAX LEVY LIMITATION LAW" herein.

The Bonds will be dated October 1, 2020 and will mature in the principal amounts and on the dates as set forth on the cover page. The Bonds are subject to redemption prior to maturity as described herein under "THE BONDS – Optional Redemption. The record date for the Bonds will be the fifteenth day of the month preceding such interest payment. Interest on the Bonds will be calculated on a 30-day month and 360-day year basis.

The Bonds will be issued as registered bonds and, when issued, if issued in book-entry only form, will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on October 1, 2021 and semi-annually thereafter on April 1 and October 1 in each year until maturity. Principal and interest will be paid by the Village to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of $5,000 or any integral multiple thereof. Paying agent fees, if any, in such case are to be paid by the purchaser. The Bonds may not be converted into coupon bonds or be registered to bearer.

Optional Redemption

The Bonds maturing on or before October 1, 2028 shall not be subject to redemption prior to maturity. The Bonds maturing on or after October 1, 2029 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed), at the option of the Village on October 1, 2028 or on any date thereafter at par (100%), plus accrued interest to the date of redemption.

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

Purposes of Issue

The Bonds are issued pursuant to the Constitution and statutes of New York State, including among others, the Village Law and the Local Finance Law, and various bond resolutions, for the following purposes:

Purpose		BAN Amount Outstanding	Paydown	Renewal Amount
2015 - Reynolds Road		$ 345,000	$15,000	$ 330,000
2015 - Arch Street Bridge		1,910,000	40,000	1,870,000
	Total Renewal:	$ 2,255,000	$55,000	$2,200,000

The proceeds of the Bonds, together with $55,000 available funds of the Village will redeem $2,255,000 bond anticipation notes outstanding and issued for the aforementioned purposes.

THE NOTES

Description of the Notes

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. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Notes are dated October 1, 2020 and mature, without the option of prior redemption, on October 1, 2021. Interest on the Bonds and Notes will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be registered in either (i) the name of the purchaser(s), in denominations of $5,000 or integral multiples thereof, except for a necessary odd denomination which is or includes $8,740, as may be determined by the successful bidder(s); or (ii) at the option of the purchaser(s), as registered notes, and, if so issued, registered in the name of Cede & Co. as nominee of DTC, which will act as the securities depository for the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

No Optional Redemption

The Notes will NOT be subject to redemption, in whole or in part, prior to maturity.

Purposes of Issue

The Notes are issued pursuant to the Constitution and statutes of New York State, including among others, the Village Law and the Local Finance Law, and various bond resolutions, for the following purposes:

RENEWAL NOTES **Purpose**	**Amount Outstanding**	**Paydown**	**Renewal Amount**
2015 - Village Street Repairs	$85,000	$85,000	$0
2015 - Financial Accounting Software Package	6,500	6,500	0
2015 - Main Server Replacement	3,854	3,854	0
2015 - Boiler & HVAC Software	15,000	15,000	0
2015 - Truck #7 Dump Body Replacement	12,500	12,500	0
2015 - Truck #7 Replace Engine & Front End	16,000	16,000	0
2015 - Roller/Bobcat Trailer	2,000	2,000	0
2015 - Crew Cab Dump	32,500	32,500	0
2015 - Annual Sidewalk/Curbs Replacement	37,500	37,500	0
2015 - Kubota Tractor	2,000	2,000	0
2015 - Oakdale Mall Sewer Sink Hole Repair	29,000	29,000	0
2016 - New Financial Software	25,000	12,500	12,500
2016 - Replace V/Hall Roof	180,000	10,000	170,000
2016 - Vehicle Equipment	3,110	1,500	1,610
2016 - Highway Capital Project (Streets)	224,000	19,000	205,000
2016 - Sidewalk & Curbs Repairs	96,000	12,000	84,000
2017 - V/Hall Renovations	227,000	25,000	202,000
2017 - Justice Bldg Roof Renovations	277,000	10,000	267,000
2017 - Justice Bldg Boiler & HVAC	52,000	2,000	50,000
2017 - Chevy Tahoe EMS Vehicle	52,000	6,000	46,000
2017 - Tower Ladder Truck	947,500	50,000	897,500
2017 - Harry L Dr Design	41,000	13,000	28,000
2017 - Reynolds Rd Design	103,000	32,000	71,000
2017 - Streets Reconstruction	327,000	23,000	304,000
2017 - Capital Proj-Wren Street Tank (2) (Water)	941,766	22,000	919,766
2017 - 30 Yard Packer Body (Refuse)	178,000	13,000	165,000
2018 - 2 Patrol Cars & 1 Detective Car	87,224	40,000	47,224
2018 - Equipment for 3 Cars	12,580	5,500	7,080
2018 - 4X4 Single Axle Dump w/Plow (2)	217,000	14,500	202,500
2018 - Combo Dump Body w/Salt Spreader	60,000	4,000	56,000
2018 - Street Paving	400,000	22,000	378,000
2018 - Reynolds Rd to Overbrook to Deyo	890,000	50,000	840,000
2018 - HLD to Oakdale to Valley Plaza	320,000	20,000	300,000
2018 - Streets Reconstruction	120,000	12,500	107,500
2018 - Capital Proj-Wren Street Tank (2)	963,766	22,500	941,266
2018 - Water Maintenance Bldg	537,950	17,000	520,950
2018 - Dodge 1500 Truck	33,500	16,000	17,500
2018 - Dodge 3500 Truck	48,000	22,000	26,000
2019 - Replace Library Flat Roof	60,000	0	60,000
2019 - New DPW Facility	700,000	0	700,000
2019 - Police Vehicles (2 Patrol Cars & 1 Detective Car)	87,000	0	87,000
2019 - New Police Cars Equipment	12,580	0	12,580
2019 - New 4x4 Multipurpose Dump w/plow	115,000	0	115,000
2019 - New Street Sweeper	237,000	0	237,000
2019 - Sidewalks & Curbs	120,000	0	120,000
2019 - Floral Park Pool Rehabilitation	200,000	0	200,000
2019 - Capital Project-Wren Street Water Tanks (2)	963,766	0	963,766
2019 - Capital Project - Reynolds Rd Water Tank Rehab	127,144	0	127,144
Total Renewal:	$10,228,740	$738,854	$9,489,886

NEW MONEY ISSUE **Purpose**		Amount **Borrowed**
2020 – Sidewalks and Curbs		$ 120,000
	Total New Money:	$ 120,000
	Total Note Borrowing:	**$ 9,609,886**

The proceeds of the Notes together with $738,854 available funds of the Village, will renew a $9,489,886 portion of bond anticipation notes outstanding, and will provide $120,000 in new monies for the aforementioned projects.

NATURE OF THE OBLIGATIONS

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

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

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

Although the State Legislature is restricted by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay “interest on or principal of indebtedness theretofore contracted” prior to the effective date of any such legislation, the New York State Legislature may from time to time impose additional limitations or requirements on the ability to increase a real property tax levy or on the methodology, exclusions or other restrictions of various aspects of real property taxation (as well as on the ability to issue new indebtedness). On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities and school districts to levy certain year-to-year increases in real property taxes.

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

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

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

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

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

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

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

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

BOOK-ENTRY-ONLY SYSTEM

DTC will act as securities depository for the Bonds and if so selected by the Purchaser, the Notes. As such, the Bonds and 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 bond certificate will be issued for each maturity of the Bonds and one fully registered note certificate will be issued for the Notes bearing the same rate of interest and CUSIP.

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 110 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 Bonds and Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds and Notes on DTC's records. The ownership interest of each actual purchaser of each Bond and 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 Bonds and 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 Bonds and Notes, except in the event that use of the book-entry system for the Bonds and Notes is discontinued.

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

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

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

Principal and interest payments on the Bonds and 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, 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 Bonds and 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 and note certificates are required to 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 BONDS AND NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS AND NOTES (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS AND NOTES OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS AND 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 OR ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS AND 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 BONDS AND NOTES.

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

Certificated Bonds under certain Circumstances

DTC may discontinue providing its services with respect to the Bonds at any time by giving reasonable notice to the Village and discharging its responsibilities with respect thereto under applicable law, or the Village may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of $5,000 each or any integral multiple thereof. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the Village upon termination of the book-entry-only system. Interest on the Bonds will remain payable October 1, 2021 and semi-annually thereafter on April 1 and October 1 in each year to maturity. Such interest will be payable by check drawn by the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the fifteenth day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the fifteenth day of the calendar month preceding an interest payment date and such interest payment date.

Certificated Notes under Certain Circumstances

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 bearer form in denominations of $5,000 or integral multiples thereof, except for a necessary odd denomination which is or includes $9,886. Interest on the Notes will remain payable at maturity. 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 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

There follows in this Official Statement a brief description of the Village, together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

General Information

The Village is located in upstate New York in the geographical location commonly known as the Southern Tier. It is situated in the Town of Union, Broome County, adjacent to the City of Binghamton (the "City") and part of the metropolitan area of that City running along the Susquehanna River Valley through the Villages of Johnson City and Endicott and the unincorporated areas of Endwell and Vestal. The Village encompasses approximately 4.5 square miles and has a 2018 estimated population of 14,575.

Transportation

Major expressways in and around the Village include State highways #17, #88 and Interstate highway #81, which extends from Canada to Tennessee and connects to the national Interstate System at various locations.

Air transportation through the Binghamton Regional Airport is provided by various national, commuter and regional airlines which include American Airlines, NorthWest Air Link, Atlantic Coast, Commuter Air, and Continental Express. United Express Air Service/MESADA also operates from the airport. The Village is also served by the Tri-Cities Airport, located in Johnson City. Railroads providing freight service to the Village include Conrail, the Canadian Pacific Railroad, New York Susquehanna Railroad and Western Railroad.

Utilities & Services

Electric utility and natural gas services are provided by the New York State Electric and Gas Corporation ("NYSEG"). Fire and police protection are provided by full time paid staffs of the Village. Water, sewer and refuse service are all provided by the Village. (See "*Joint Sewage Treatment Plant*" herein for more information regarding sewer services).

Education

Binghamton University began as a Triple Cities College in 1946, joining the State University System in 1950 as Harpur College. In 1965 the campus was formally designated the State University of New York at Binghamton. Today, the University consists of the Harpur College of Arts & Sciences, the School of Education & Human Development, the School of Management, the Decker School of Nursing and the Thomas J. Watson School of Engineering & Applied Sciences. Binghamton University had an enrollment of 14,021 undergraduates and 3,747 graduate students for the 2019 fall semester.

The University is nationally recognized as a world-class institution, Binghamton University offers students a broad, interdisciplinary education with an international perspective and one of the most elite research institutions in the nation. For 16 straight years, U.S. News & World Report has ranked Binghamton as one of the nation's top 50 public universities, and has been rated a Best Buy and one of the premier public universities in the Northeast, "with a four-year graduation rate that is among the highest of any public university, Binghamton has a reputation for an excellence education at a reasonable price," by Fiske Guide to Colleges, 2014.

Broome County Community College, renamed SUNY Broome, is a comprehensive academic institution supervised by the State University of New York, sponsored by Broome County, and accredited by both professional and educational organizations. The college was chartered as the New York State Institute of Applied Arts and Sciences at Binghamton in 1946. It became Broome Community College in 1971.

Broome Community College had an enrollment of 3,450 full-time and 3,321 part-time students for the 2019 fall semester. The college offers 54 degree programs and various certificate programs designed to prepare graduates for immediate employment or transfer to four-year colleges and universities.

The expansion of Binghamton University and SUNY Broome has led to increased demand for off-campus student housing; a total of 367 units with 1,445 beds are planned. A $17.5 million waterfront housing project, called Chenango Place, was completed in the summer of 2014, creating 50 full-time construction jobs and 20 permanent jobs as part of restoring a historic downtown building.

Binghamton University has created a new School of Pharmacy and Pharmaceutical Sciences which is located in a newly constructed building on a new, 8 acre health sciences campus being developed in the Village. The 84,000 square-foot, four-story building includes state-of-the-art research labs, offices for faculty and staff, a lecture hall, classrooms and teaching labs. It will also house the University's Decker School of Nursing, which will open in 2019, and other healthcare-based organizations and high-tech businesses.

Source: Village officials.

Joint Sewage Treatment Plant

The sewage treatment plant servicing ten municipalities, including the Village, as well as Binghamton University (the "Plant") is jointly owned by the City and the Village. The Plant is operated by the Binghamton-Johnson City Joint Sewage Board pursuant to an Inter-municipal agreement between the City and the Village. The original Plant was constructed in 1958. Starting in 1998, the City and the Village commenced a major sewer treatment Plant reconstruction and improvement project (the "Project"). The New York State Department of Environmental Conservation has mandated that such improvements be made to the Plant by the City and the Village. The total estimated cost of the Project is expected to be $365,000,000, including design costs, contingencies and softs costs. The current aggregate principal amount of bonds authorized for the project is $330,000,000, with 54.8% ($180,840,000) attributable or allocated to the City and 45.2% ($149,160,000) attributable or allocated to the Village. The Village has issued approximately $48,419,009 in bonds through EFC to finance its share of the cost of the Project. In addition, the City and the Village are utilizing short term financing options through EFC to fund Project costs, which is expected to be redeemed with the proceeds of bonds expected to be issued through EFC and/or other sources, including Federal Emergency Management Agency ("FEMA") aid in the future. (See "*INDEBTEDNESS OF THE VILLAGE - Capital Project Plans*" herein.).

The City and the Village anticipate current and future financing relating to the Plant to rely on EFC financing. The subsidized interest rate on bonds issued through EFC is typically 50% of the prevailing market rates at the time of issuance, unless EFC provides an interest free loan for to the borrower. To date, EFC has committed to $20 million in long-term interest free financing. Recently, the City met with EFC to discuss the Project and the financing thereof. Although EFC cannot commit to funding the entire Project at this time, EFC has provided financing for substantially all of the costs of the Project to date, which is expected to be sufficient to pay Project costs incurred through 2020. In the event that EFC financing is not available to fund any portion of the Project, the City is authorized to issue its own bonds or notes to provide financing for the Project.

On December 18, 2015, the New York State Comptroller released an audit of the Binghamton-Johnson City Joint Sewage Board. Such audit and the response of the Joint Sewage Board is available on the website of the Office of the New York State Comptroller. (See "*FINANCIAL FACTORS - New York State Comptroller Report of Examination*" herein.)

See "*Flood Damage to the Joint Sewer Treatment Plant*" hereunder for an update on recent flood damage to the sewage treatment plant. See also "*STATUS OF INDEBTEDNESS - New York State Environmental Facilities Corporation Loan Advance*" herein.

Flood Damage to the Joint Sewer Treatment Plant

The Plant suffered damage as a result of 2011 flooding. Plant employees, board members, and the City Engineer have worked with the insurance provider for the Plant and the Federal Emergency Management Agency ("FEMA") to identify all of the damage incurred to the Plant as a result of the flood, and are in the process of rebuilding the facility and improving its flooding resistance to future flood events. To date, approximately 98% of eligible costs expended have been recovered or are in process of recovery through State and Federal Assistance. 100% of eligible costs are expected to be recovered through State and Federal Assistance. The City and Village plan to apply any FEMA aid received to offset the cost of the Project and/or to retire any bonds or notes issue to fund the Project.

On December 16, 2013, Governor Andrew M. Cuomo announced that the State would be providing $30.32 million in assistance for Plant repairs, improvements and future flood mitigation measures, including the construction of a flood wall around the Plant. The assistance from the State is expected to include a $24.8 million interest-free short-term loan from EFC, which has been approved by the EFC Board of Directors. Such short-term loan is expected to be retired with $19.8 million in FEMA aid and $10.5 million in long-term loans from EFC, $5.0 million of which is expected to be interest free and $5.5 million of which is expected to be at a subsidized interest rate.

Litigation involving Joint Sewer Treatment Plant

On May 16, 2011, a 100-foot-long segment of a 23-foot-tall concrete Plant wall collapsed allowing the discharge of untreated waste into the Fuller Hollow Creek and the Susquehanna River. The City, Village and the Binghamton-Johnson City Joint Sewage Board filed a $20 million State Supreme Court lawsuit in late 2011 against 13 defendants believed to have a role in widespread structural problems relating to the Project. In March 2012, the parties filed a $3.5 million federal lawsuit against American Alternative Insurance Corp. alleging the New Jersey-based company improperly denied coverage for the wall collapse under the Plant's general liability policy. Lawsuits are still pending; however, the following payments were obtained in connection with the federal litigation involving American Alternative Insurance Corp.:

- $550,000 for filter media and aggregate compounds damaged and/or lost as a result of the May 16, 2011 wall collapse.
- $500,000 for damages to the C-Cell Filter Complex's mono-floor nozzle decks damaged and/or lost as a result of the May 16, 2011 wall collapse.

The City and Village plan to apply any settlements or awards received on account of the litigation described above to offset the cost of the Project and/or to retire any bonds or notes issue to fund the Project.

Source: City and Village officials.

Banking Facilities

The following banks are located in the Village:

Chemung Canal Trust Company
Manufacturers & Traders Trust Company (M&T Bank)
NBT Bank, N.A.
Community Bank, N.A.

Population Trends

	Village of Johnson City	Broome County	New York State
1970	18,045	221,815	18,236,882
1980	17,126	213,648	17,558,072
1990	16,578	212,160	17,990,455
2000	15,535	200,536	18,976,457
2010	15,174	200,600	19,378,102
2018 (estimated)	14,575	194,402	19,542,209

Source: U.S. Census Bureau Decennial Census 1970-2010, 2018 Population Estimates

Larger Employers within Broome County

Many residents of the Village find employment with major employers located within Broome County and the surrounding area.

The ten largest employers located within the Binghamton, NY Metropolitan Statistical Area (MSA):

Company	Location	Employees	Type
Binghamton University	Vestal	5,943	Education
United Health Services	Binghamton	5,428	Healthcare
Broome County Government	Binghamton	2,500	Government
Lourdes Hospital	Binghamton	2,311	Healthcare
New York State	Binghamton	2,034	Government
Broome Developmental Center	Binghamton	1,400	Human Services
BAE Systems	Endicott	1,300	Mission Systems
Maines Paper & Food Service	Conklin	1,100	Food Distribution
Broome-Tioga BOCES	Binghamton	1,049	Education
NBT Bank	Binghamton	1,039	Financial Institution

Sources: Broome County Industrial Development Agency - Larger Employers.

Note: Figures in the table above pre-date the emergence of, and potential impacts due to the COVID-19 pandemic

Selected Wealth and Income Indicators

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

	Per Capita Income			Median Family Income		
	2000	2006-2010	2014-2018	2000	2006-2010	2014-2018
Village of: Johnson City	$ 17,511	$ 21,049	$ 24,449	$ 39,241	$ 49,342	$ 49,067
County of: Broome	19,168	24,314	27,744	45,422	57,545	67,342
State of: New York	23,389	30,948	37,470	51,691	67,405	80,419

Note: 2015-2019 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2014-2018 American Community Survey data.

Unemployment Rate Statistics

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

Annual Average

	2013	2014	2015	2016	2017	2018	2019
Broome County	7.8%	6.6%	6.0%	5.4%	5.5%	4.9%	4.7%
New York State	7.7%	6.3%	5.3%	4.9%	4.7%	4.1%	4.0%

2020 Monthly Figures

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Broome County	5.7%	5.4%	5.4%	15.2%	10.7%	11.3%	12.8%	N/A
New York State	4.1%	3.9%	4.2%	15.1%	14.2%	15.5%	16.0%	N/A

Note: Unemployment rates for August 2020 are unavailable as of the date of this Official Statement. Unemployment rates for the foreseeable future are expected to increase substantially over prior periods as a result of the COVID-19 pandemic. (See "MARKET AND RISK FACTORS - COVID-19" herein).

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

Form of Village Government

The Chief Executive Officer of the Village is the Mayor who is elected for a term of four years and is eligible to succeed himself. He is also a member of the Board of Trustees. The legislative and administrative body of the Village is the Board of Trustees, composed of the Mayor and four Trustees. Trustees are elected for a term of two years. Each term is staggered so that two Trustees run every year for election. There is no limitation as to the number of terms which may be served by members of the Board of Trustees.

The Village Mayor is the chief administrative and executive officer of the Village and is the chief administrator of all Village departments. The Mayor, with the approval of the Board of Trustees appoints the Village Clerk/Treasurer to serve a two-year term who serves as the Chief Fiscal Officer.

Investment Policy

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

Consistent with the above statutory limitations, it is the Village's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America. In the case of obligations of the United States government, the Village may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third party custodian with regular valuation. The Village does not invest in revenue repurchase agreements or other derivative-type investments.

Employees

The Village currently employs approximately 131 full-time employees, of which 108 are represented by labor organizations. The following is a breakdown of employee representation by collective bargaining agents which represent them and the dates of expiration of their agreements:

Employees Represented	Union Representation	Contract Expiration Date
26	Firefighters' Association	May 31, 2021
35	AFSCME (Public works)	May 31, 2021
30	Police Benevolent Association (PBA)	May 31, 2020 [1]
15	Administrative Unit	May 31, 2021
1	Management Unit	May 31, 2021

[1] Currently under negotiation.

Source: Village officials.

Employee 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 2016 fiscal year and budgeted payments for 2021 are as follows:

Fiscal Year	ERS	PFRS
2016	$ 469,174	$ 845,953
2017	421,336	993,875
2018	373,182	1,006,069
2019	369,927	1,043,910
2020	357,386	1,201,859
2021 (Budgeted)	372,773	1,342,252

Source: Village officials

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 (2016 to 2021) is shown below:

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

Healthcare Benefits. It should also be noted that the Village provides post-retirement healthcare benefits to various categories of former employees. These costs may rise substantially in the future. Accounting rule, GASB Statement No. 45 ("GASB 45") of the Governmental Accounting Standards Board ("GASB"), requires governmental entities, such as the Village, to account for post-retirement healthcare benefits with respect to vested pension benefits. GASB 45 is now fully implemented for all government entities.

OPEB. Other Post-Employment Benefits ("OPEB") refers to "other post-employment benefits," meaning other than pension benefits, disability benefits and OPEB consist primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Until now, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements.

GASB 75. In 2015, the GASB released new accounting standards for public other postemployment benefits (OPEB) plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. For the fiscal year ended December 31, 2018, the Village implemented GASB 75. The implementation of this statement requires municipalities to report Other Post-Employment Benefits ("OPEB") liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required municipalities to calculate and report a net other postemployment benefit obligation. However, under GASB 45 municipalities could amortize the OPEB liability over a period of years, whereas GASB 75 requires municipalities to report the entire OPEB liability on the statement of net position.

Summary of Changes from the Last Valuation. The Village contracted with Armory Associates, LLC to calculate its OPEB liability under GASB 75. Prior valuations performed under GASB 45 guidelines have not been restated and are not reflected in historic exhibits.

The following outlines the changes to the Total OPEB Liability during the 2019 and 2020 fiscal years, by source.

Balance beginning at May 31:	2018	2019
Changes for the year:	$ 93,282,770	$ 73,764,254
Service cost	2,506,630	2,088,881
Interest	3,408,618	2,822,068
Differences between expected and actual experience	(18,138,788)	-
Changes in assumptions or other inputs	(4,559,280)	1,373,473
Changes of benefit terms	-	-
Benefit payments	(2,735,696)	(2,390,537)
Net Changes	$ (19,518,516)	$ 3,893,885
Balance ending at May 31:	2019	2020
	$ 73,764,254	$ 77,658,139

Source: Actuarial Valuation reports of the Village. Table itself is not audited.

Actuarial valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are fewer than 200 members.

There is no authority in current State law to establish a trust account or reserve fund for this liability. The Village has reserved $0 towards its OPEB liability. The Village funds this liability on a pay-as-you-go basis.

STATUS OF INDEBTEDNESS

Constitutional Requirements

The New York State Constitution and Local Finance Law limit the power of the Village (and other municipalities and school districts of the State) to issue obligations and to contract indebtedness. Such constitutional and statutory limitations include the following, in summary form, and are generally applicable to the Village and the Bonds and Notes:

Purpose and Pledge. 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 thereof and interest thereon.

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three years, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute or the weighted average period of probable usefulness thereof; no installment may be more than fifty per centum in excess of the smallest prior installment, unless the Village has authorized the issuance of indebtedness having 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, bond anticipation notes and capital notes.

Debt Limit. The Village has the power to contract indebtedness for any Village purpose authorized by the Legislature of the State of New York provided the aggregate principal amount thereof shall not exceed seven per centum of the five-year average full valuation of the taxable real estate of the Village and subject to certain enumerated deductions and exclusions such as water and certain sewer facilities and cash and appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the ratio (equalization rate) which such assessed valuation bears to the full valuation; such ratio is determined by the State Office of Real Property Services. The Legislature also is required to prescribe the manner by which such ratio shall be determined.

General. The Village is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation, assessment, borrowing money, contracting indebtedness and loaning the credit of the Village so as to prevent abuses in the exercise of such powers; however, as has been noted under "Nature of Obligation," the State Legislature is prohibited by a specific constitutional provision from restricting the power of the Village to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limit Law imposes a statutory limitation on the Village's power to increase its annual tax levy, unless the Village complies with certain procedural requirements to permit the Village to levy certain year-to-year increases in real property taxes. (See "TAX LEVY LIMITATION LAW" herein.)

Statutory Procedure

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

Pursuant to the Local Finance Law, the Village authorizes the incurrence of indebtedness, including bonds and bond anticipation notes issued in anticipation of such 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. Certain of such resolutions may be subject to permissive referendum, or may be submitted to the Village voters at the discretion of the Board of Trustees. A bond resolution that is submitted to voters at the discretion of the Board of Trustees requires only a 3/5 vote of the Board.

The Local Finance Law also provides for a twenty-day statute of limitations after publication of a bond resolution, which, in effect, estops legal challenges to the validity of obligations authorized by such bond resolution thereafter except for alleged constitutional violations. The Village has complied with said procedure with respect to the Bonds and Notes.

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

Each bond resolution also provides for the issuance of bond anticipation notes prior to the issuance of serial bonds. Statutory law in New York permits notes to be renewed each year provided reductions are made within two years of the original date of borrowing and provided that such renewals do not generally extend five years beyond the original date of borrowing. However, notes issued in anticipation of the sale of serial bonds for assessable improvements are not subject to such five-year limit and may be renewed subject to annual reductions, for the entire period of probable usefulness of the purpose for which they were originally issued. (See "*Payment and Maturity*" under "*Constitutional Requirements*" herein.)

In general, the Local Finance Law contains similar provisions providing the Village with power to issue general obligation revenue and tax anticipation notes and general obligation budget deficiency and capital notes.

The Village Board of Trustees, as the finance board of the Village, has the power to authorize the sale and issuance of bonds and notes, including the Bonds and Notes. However, such finance board may delegate the power to sell its bonds and notes to the Village Treasurer, the chief fiscal officer of the Village, pursuant to the Local Finance Law.

Debt Outstanding End of Fiscal Year

Fiscal Years Ending May 31:	2016	2017	2018	2019	2020
Bonds	$ 26,469,000	$ 51,139,695	$ 49,712,695	$ 103,369,983	$ 99,519,173
Bond Anticipation Notes	9,254,982	6,682,784	8,319,050	11,322,770	13,233,740
New York State EFC Advance (1)	19,891,581	15,163,630	36,540,000	12,101,614	14,646,035
Lease Installment Purchase	0	0	48,000	32,000	0
Energy Performance Contract	929,377	825,437	721,182	612,673	499,738
Totals	$ 56,544,940	$ 73,811,546	$ 95,292,927	$ 127,439,040	$ 127,898,686

(1) See "*New York State Environmental Facilities Corporation Loan Advance*" for additional details.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the Village evidenced by bonds and notes as of September 9, 2020.

Type of Indebtedness	Maturity	Amount
Bonds	2020-2047	$ 97,756,794
Bond Anticipation Notes		
New York State EFC Advance (STIFF & SMRF)	January 30, 2021	3,294,048 (1)
New York State EFC Advance (STIFF & SMRF)	September 20, 2021	11,673,228 (1)
Repairs related to flood damage	February 19, 2021	750,000
Various Purposes	October 2, 2020	12,483,740 (2)
	Total Debt Outstanding	$ 125,957,810

(1) As of September 9, 2020, the Village had $14,967,276 of STIFF & SMRF drawn against the aggregate principal amount authorized for the Advance. See "*New York State Environmental Facilities Corporation Loan Advance*" herein for additional details.

(2) To be redeemed at maturity with proceeds of the Notes and available funds of the Village.

Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of September 9, 2020:

Five-Year Average Full Valuation of Taxable Real Property			$ 699,880,171
Debt Limit - 7% thereof			48,991,612
Inclusions:			
Bonds	$ 97,756,794		
Bond Anticipation Notes	11,673,228		
New York State EFC Advance (Sewer) (1)	14,967,276		
Total Inclusions		$ 125,957,810	
Exclusions:			
Appropriations – Bonds	$ 755,000		
Sewer Debt-Notes (2)	375,000		
New York State EFC Advance (Sewer) (2)	14,967,276		
New York State EFC Bonds (Sewer) (2)	75,067,604		
Water Debt (3)	17,825,816		
Total Exclusions		$ 108,990,696	
Total Net Indebtedness Subject to Debt Limit			$ 16,967,114
Net Debt-Contracting Margin			$ 32,024,498
Percent of Debt Contracting Power Exhausted			34.63%

(1) As of September 9, 2020, the Village had $14,967,276 of STIFF & SMRF drawn against the aggregate principal amount authorized for the Advance. See "New York State Environmental Facilities Corporation Loan Advance" herein for additional details.

(2) Sewer Debt excluded pursuant to Section 124.10 of the Local Finance Law.

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

Note: The issuance of the Bonds and Notes will decrease the net indebtedness of the Village by $673,854.

Bonded Debt Service

A schedule of Bonded Debt Service, including principal of the Bonds, may be found in APPENDIX - B to this Official Statement.

Cash Flow Borrowings

The Village has not found it necessary to borrow revenue anticipation notes or tax anticipation notes in the last five years and has no other plans to borrow for such in the foreseeable future.

Capital Project Plans

The Village reviews annual improvement projects and needs and develops a plan on repair and/or replacement of equipment and facilities.

The Village plans to finance its sewer and water projects through the New York State Environmental Facilities Corporation (EFC) Revolving Loan Fund Program that provides significant interest rate subsidies. (See the sub-caption "*Flood Damage to the Joint Sewage Treatment Plant*" under "*THE VILLAGE - Joint Sewage Treatment Plant*" and "*New York State Environmental Facilities Corporation Loan Advance*" herein). The City and the Village commenced a major sewer treatment plant facilities reconstruction and improvement project. The current aggregate principal amount of bonds authorized for the project is $365,000,000 with 54.8% ($200,020,000) attributable or allocated to the City and 45.2% ($164,980,000) attributable or allocated to the Village. (For more information see "*THE VILLAGE - Joint Sewage Treatment Plant*" herein).

The Village has one other capital project contemplated at this time. The Village is planning to construct a new DPW facility at a maximum estimated cost of $12,000,000. As of the date of this Official Statement, the Village has not yet authorized the issuance of bonds to finance this project.

New York State Environmental Facilities Corporation Loan Advance

The Village entered into agreements with the New York State Environmental Facilities Corporation (the "Corporation") to receive Short-term Market-Rate Financing ("SMRF") and Short-term Interest Free Financing ("STIFF") to finance costs associated with the design, construction, restoration and rehabilitation of the Binghamton-Johnson City Joint Sewage Treatment Plant. The Corporation agreed to provide SMRF and STIFF by making advances of funds ("Advance") to the Village from time to time. The Village shall be obligated to repay each Advance in one or more principal installments in amounts and at times specified or determined in accordance with the Financing Agreement with the Corporation, plus any accrued interest. Interest, if any, shall accrue on Advances from the date of disbursement in accordance with the respective notes.

On January 30, 2014, The Village entered an agreement with the Corporation (Project No. C7-6201-03-03) for the advance of short-term funds during the period from January 30, 2014 through January 30, 2019, subsequently amended through January 30, 2021, in an aggregate principal amount not to exceed $13,714,748 (the "2014 Advance"). As of September 9, 2020, the Village had drawn $13,714,748 against the 2014 Advance, of which $3,294,048 is currently outstanding after applying $10,353,200 of principal reductions and FEMA payments received.

On September 20, 2018, The Village entered an agreement with the Corporation (Project No. C7-6201-03-06) for the advance of short-term funds during the period from September 20, 2018 through September 20, 2021 in an aggregate principal amount not to exceed $20,340,000 (the "2018B Advance"). As of September 9, 2020, the Village had drawn $11,673,228 against the 2018B Advance, of which $11,673,228 is currently outstanding.

As of September 9, 2020, the Village has also applied $13,560,000 of grant funds received for the project. The Village expects to draw additional short-term Advances to fund project costs associated with the Plant (See the sub-caption "*Flood Damage to the Joint Sewage Treatment Plant*" under "*THE VILLAGE - Joint Sewage Treatment Plant*" herein.)

Estimated Overlapping Indebtedness

In addition to the Village, the following political subdivisions have the power to issue obligations 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:

Municipality	Status of Debt as of	Gross Indebtedness (1)	Estimated Exclusions (2)	Net Indebtedness	District Share	Applicable Indebtedness
County of:						
Broome	4/15/2020 (4)	$ 136,679,000	$ 5,920,000 (2)	$ 130,759,000	9.69%	$ 12,670,547
Town of:						
Union	5/27/2020 (4)	10,724,779	142,460 (2)	10,582,319	24.79%	2,623,357
School District:						
Johnson City CSD	7/24/2019 (4)	69,848,600	62,304,951 (3)	7,543,649	58.57%	4,418,315
					Total:	$ 19,712,219

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:

(4) Most recent available official statement of the municipality obtained from EMMA.

Debt Ratios

The following table sets forth certain ratios relating to the Village's net indebtedness as of September 9, 2020:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Gross Indebtedness (see Debt Statement Summary)	$ 125,957,810	$ 8,642.05	17.59%
Net Indebtedness (see Debt Statement Summary)..........................	16,967,114	1,164.12	2.37%
Gross Plus Net Overlapping Indebtedness [c]................................	145,670,029	9,994.51	20.34%
Net Plus Net Overlapping Indebtedness [c]	36,679,333	2,516.59	5.12%

[a] According to the 2018 Census, the population of the Village is 14,575. (See "THE VILLAGE - Population Trends" herein.)
[b] The Village's full value of taxable real estate for the 2020-21 tax roll is $716,023,382. (See "TAX INFORMATION - Taxable Assessed Valuations" herein.)
[c] See "Debt Statement Summary" for the calculation of Gross and Net Indebtedness, herein.
[d] The Village's applicable share of net overlapping indebtedness is estimated to be $19,712,219. (See "Estimated Overlapping Indebtedness" herein.)

FINANCIAL FACTORS

The Village derives its revenues from a direct tax levy on real property, a utilities gross receipts tax, departmental fees, fines from Village Court and charges and State aid. The Village's fiscal year begins June 1 and ends May 31.

Revenues

Village finances are operated through its General Fund. All property taxes and most non-tax revenues are paid into the General Fund. All current operating expenditures are made from the fund pursuant to appropriations of the Village Board of Trustees.

Budgetary Procedures

The budget officer prepares the proposed budget each year, 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 tax levy for all budgets adopted for the fiscal year ended May 31, 2012 and beyond are subject to the provisions of the Tax Levy Limitation Law. (See "TAX LEVY LIMITATION LAW" herein).

Financial Statements

In certain years, when required, the Village has retained an independent certified public accountant firm for an independent audit of all financial transactions of the Village. The financial affairs of the Village are also subject to annual audits by the State Comptroller. The last independent audit covers the fiscal year ending May 31, 2019 and is attached hereto as "APPENDIX – G". The Village's audited and unaudited financial statements for the fiscal year ended May 31, 2020 are not complete as of the date of this Official Statement.

The Village complies with the Uniform System of Accounts as prescribed for villages in New York State by the State Comptroller. 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).

Beginning with the fiscal year ending December 31, 2003, the Village is required to issue its financial statements in accordance with GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as the Management's Discussion and Analysis. The Village hired an outside consultant to assist in implementation of GASB 34, inclusive of a physical review and documentation of all assets owned by the Village. The Village is currently in full compliance with GASB 34.

Unaudited Results of Operations for Fiscal Year Ended 2020

A summary of such unaudited financial results for the General Fund for the period ended May 31, 2020 is as follows:

Revenues:	$ 19,676,842
Expenditures:	20,492,489
Excess (Deficit) Revenues over Expenditures:	$ 815,647
Total General Fund Balance FYE 2019:	$ 5,335,387
Total Projected General Fund Balance FYE 2020:	$ 4,519,738

For a summary of the Village's adopted budgets, see "APPENDIX-A2" hereof.

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

Source: Village officials.

Sewer Fund Deficit Fund Balances

The Sewer Fund had an audited deficit fund balance of ($477,198) for fiscal year ended May 31, 2016 and an unaudited deficit fund balance of $(1,215,041) due to expenditures in the years 2014 through 2015 exceeding revenues, which was affected by prior period adjustments related to the operation of the Binghamton-Johnson City Joint Sewage Treatment Plant. To address the issue of declining Sewer Fund balance, the Village raised sewer use rates in the fiscal year beginning June 1, 2018 and June 1, 2020. As of fiscal year ending May 31, 2020, the Sewer Fund had a fund balance of $1,938,123.

New York State Comptroller Reports of Examination

The State Comptroller's office released an audit report of the Village on June 5, 2015. The purpose of the audit was to evaluate the Village's internal controls over the Justice Court's financial operations for the period June 1, 2013 through August 21, 2014. A copy of the audit and response of the Village can be found via the website of the Office of the New York State Comptroller.

In addition, the State Comptroller recently completed an audit of the Binghamton-Johnson City Joint Sewage Board that was released on December 18, 2015. The purpose of the audit was to determine if sewage treatment services were provided economically. A copy of the audit and response of the Joint Sewage Board can be found via the website of the Office of the New York State Comptroller.

There are no other State Comptrollers audits of the Village that are currently in progress or pending release at this time.

Source: Website of the Office of the New York State Comptroller. References to website addresses presented herein are for informational purposes only. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

The State Comptroller's Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State's school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller 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 2015 through 2019 fiscal years for the Village are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2019	No Designation	0.0
2018	No Designation	0.0
2017	No Designation	0.0
2016	No Designation	11.3
2015*	-	-

*Since the inception of the FSMS and through fiscal year ending May 31, 2015, the Village had not filed its Annual Financial Report Update Documents, which are unaudited and not prepared in accordance with GAAP, to the State Comptroller's Office by the required filing dates, and therefore a fiscal stress score could not be calculated.

Note: The fiscal score for fiscal year ending May 31, 2020 has not been calculated as of the date of this Official Statement.

Source: Website of the Office of the New York State Comptroller. References to website addresses presented herein are for informational purposes only. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

Investment Policy

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

Consistent with the above statutory limitations, it is the Village's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America. In the case of obligations of the United States government, the Village may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third party custodian with regular valuation. The Village does not invest in revenue repurchase agreements or other derivative-type investments.

Other Information

The statutory authority for the power to spend money for the objects or purposes, or to accomplish the objects or purposes, for which the Bonds and 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 Village was one day late on making a $826,775.04 loan payment due August 1, 2018 to the New York State Environmental Facilities Corporation. The reason for the late payment was that the Village was in the process of setting up a new debt service fund in their accounting software, which also required establishing a new bank account. That process had not been completed as of August 1, 2018, so the Village had to make alternative arrangements to send the payment, however, the payment was not sent out until the following day on August 2, 2018.

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

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

Except for "STATUS OF INDEBTEDNESS - Estimated Overlapping Indebtedness", this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the Village.

TAX INFORMATION

Source of Revenues

The Village derives its revenues from a direct tax levy on real property, a utilities gross receipts tax, departmental fees, fines from Village Court and charges and State aid. Village revenues for the fiscal years ending May 31, 2014 through May 31, 2019 are summarized in the Appendices attached hereto.

Valuations and Rates

Fiscal Year Ending May 31:	Taxable Assessed Valuation	State Equalization Rate	Total Taxable Full Valuation
2017	$ 30,058,969	4.27%	$ 703,957,119
2018	30,103,712	4.38%	687,299,361
2019	30,146,431	4.32%	697,834,051
2020	29,507,195	4.25%	694,286,941
2021	29,428,561	4.11%	716,023,382

Source: Village officials.

Tax Rates Per $1,000 (Assessed)

Fiscal Year Ending May 31:	2017	2018	2019	2020	2021
General Village	$ 338.23	$ 339.41	$ 345.36	$ 358.47	$ 362.62

Source: Village officials.

Tax Collection Procedure

Tax payments are due on June 1 to and including June 30 in each year without penalty. Penalties for tax delinquencies are imposed at the rate of 5% for the first month delinquent and an additional 1% for each month or fraction thereof thereafter. The County remits to the Village the amount of uncollected taxes, and then administers the delinquent collections, so that the Village receives its entire levy in the same fiscal year.

Tax Collection Record

Fiscal Year Ending May 31:	2016	2017	2018	2019	2020
Total Tax Levy	$ 9,700,948	$ 9,944,990	$ 10,166,767	$ 10,217,444	$ 10,577,435
Amount Uncollected [(1)]	-	-	-	-	-
% Uncollected	0.00%	0.00%	0.00%	0.00%	0.00%

(1) See 'Tax Collection Procedure' herein.

Source: Village officials.

Constitutional Tax Margin

Computation of Constitutional Tax Margin for fiscal year ending May 31:

Fiscal Year Ending May 31:	2021	2020	2019
Five Year Average Full Valuation…………………	$ 692,919,895	$ 685,642,486	$ 671,000,575
Tax Limit - (2%)………………………………………	13,858,398	13,712,850	13,420,012
Total Additions………………………………………	2,144,744	5,275,642	1,957,464
Total Taxing Power…………………………………	$ 16,003,142	$ 18,988,492	$ 15,377,476
Less: Total Levy of the Village…………………	10,671,238	10,577,435	10,411,361
Constitutional Tax Margin…………………………	$ 5,331,904	$ 8,411,057	$ 4,966,115

Source: Village officials.

Assessment Information

Real property in the Village is assessed by the Town of Union.

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

The assessment roll of the Village is constituted approximately as follows: 54% Commercial and 46% Residential. The estimated total property tax for an average residence valued at $100,000 is $3,000 per year.

Ten Largest Taxpayers – 2019 Assessment for 2019-20 Village Tax Roll

Name	Taxable Full Valuation
Oakdale Mall II LLC	$ 2,835,557 (1)
NYSEG	945,398
Feinberg Ridge Associates	557,500
Wegmans Food Markets, Inc.	441,600
JCTC Holdings LLC	423,760
Susquehanna Realty Holding	245,865
Seritage SRC Finance LLC (Sears)	236,978
Binghamton Giant Market, Inc	204,600
JLL Retail Property Mgt (Toys R Us)	179,600
Olums of Binghamton	155,700

(1) Has filed claim seeking a reduction in assessment. The potential tax liability and outcome of this claim is not known at this time.

The ten largest taxpayers listed above have a total estimated assessed valuation of $6,196,558 which represents 21% of the Village tax base.

The Village is subject to a number of tax certiorari cases particularly in relation to the utility companies. The ultimate result of these cases is not expected to have a significant impact on the finances of the Village. As of the date of this Official Statement; the Village does not currently have any pending or outstanding tax certioraris that are known to have a material impact on the Village.

Source: Village officials.

Sales Tax Comparison

The following table sets forth a comparison of the budgeted and actual total sales tax collected during each of the five fiscal years and the budgeted amount for the current fiscal year:

Fiscal Year	Budgeted Amount	Actual
2014-15	$ 3,300.000	$ 3,201,433
2015-16	3,300,000	3,271,558
2016-17	3,325,000	3,393,696
2017-18	3,375,000	3,584,472
2018-19	3,585,000	3,882,505
2019-20	3,960,000	4,068,871
2020-21	3,960,000	N/A

Village officials are carefully monitoring 2020-21 sales tax receipts and are expecting sales tax revenue declines due to the impact of COVID-19 in the range of 20% from prior years.

Source: County officials.

TAX LEVY LIMITATION LAW

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to 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. It was set to expire on June 15, 2020, however recent legislation has made it permanent. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the 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.

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

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

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

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law 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 City.

Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law. The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an "emergency financial control board" for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such municipality (or by its emergency financial control board in the event said board requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law ("Title 6-A") effectively prohibits the doing of any act for ninety days in the payment of claims, against the municipality including payment of debt service on outstanding indebtedness.

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

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

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

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

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

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

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

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

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

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

Several municipalities in the State are presently working with the FRB. The Village has not requested FRB assistance nor does it reasonably expect to do so in the foreseeable future. School districts and fire districts are not eligible for FRB assistance.

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

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

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

No Past Due Debt. No principal of or interest on Village indebtedness is past due. The Village was one day late on making a $826,775.04 loan payment due August 1, 2018 to the New York State Environmental Facilities Corporation. The reason for the late payment was that the Village was in the process of setting up a new debt service fund in their accounting software, which also required establishing a new bank account. That process had not been completed as of August 1, 2018, so the Village had to make alternative arrangements to send the payment, however, the payment was not sent out until the following day on August 2, 2018.

MARKET AND RISK FACTORS

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

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

The Village 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 this year or future years, 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.

There are a number of general factors which could have a detrimental effect on the ability of the Village to continue to generate revenues, particularly property taxes. For instance, the termination of a major commercial enterprise or an unexpected increase in tax certiorari proceedings could result in a significant reduction in the assessed valuation of taxable real property in the Village. Unforeseen developments could also result in substantial increases in Village expenditures, thus placing strain on the Village's financial condition. These factors may have an effect on the market price of the Bonds.

If a holder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. If and when a holder of any of the Bonds should elect to sell a Bond prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Bonds. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Bonds is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

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

The enactment of the Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts and have restrictions in the State, including the Village without providing an exclusion for debt service on obligations issued by municipalities or fire districts, including the Village, could have an impact upon the market price of the Bonds. See "TAX LEVY LIMITATION LAW" herein.

Cybersecurity

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

COVID-19

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

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

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

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

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 District will enter into a Continuing Disclosure Undertaking, descriptions of which are attached hereto as "APPENDIX – C, CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO THE BONDS" and "APPENDIX – D, MATERIAL EVENT NOTICES WITH RESPECT TO THE NOTES".

Historical Continuing Disclosure Compliance

Under previous continuing disclosure undertakings, the Village is required to file its annual financial information and operating data on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if audited financial statements are prepared, sixty days following receipt by the Village of audited financial statements for the preceding fiscal year, but, in no event, not later than the last business day of each such succeeding fiscal year. Beginning with fiscal year ending May 31, 2014, this prior requirement was superseded to include that in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date.

Below is a chart listing applicable EMMA filing dates for fiscal years 2015 through 2019:

Fiscal Year Ending May 31st	Annual Financial Information and Operating Data Filing Date	Audit Certification Date	Audit Filing Date	Unaudited Financial Report Certification Date	Unaudited Financial Report Filing Date
2015	11/23/2015	02/19/2016	04/02/2016	03/29/2016	03/30/2016
2016	11/25/2016	09/30/2016	11/30/2016	08/31/2016	08/31/2016
2017	11/28/2017	02/20/2018	06/15/2018	11/28/2017	11/28/2017
2018	11/28/2018	01/31/2019	03/15/2019	02/15/2019	02/15/2019
2019	11/25/2019			01/29/2020	01/29/2020

- The 2015 AUD was required to have been filed to EMMA no later than November 30, 2015, if available; however, the 2015 AUD was not completed until March 29, 2016 and was filed to EMMA on March 30, 2016.
- The audited financial statement for the fiscal year ending May 31, 2017 was completed on February 20, 2018, however, the audit was filed late to EMMA on June 15, 2018.
- The Village was one day late in filing a notice of event relating to a late interest payment incurred on August 1, 2018. The notice was not filed to EMMA until September 19, 2018.
- The 2018 AUD was required to have been filed to EMMA no later than November 30, 2018, if available; however, the 2018 AUD was not completed until February 15, 2019 and was filed to EMMA on February 15, 2019.
- The 2019 AUD was required to have been filed to EMMA no later than November 30, 2019, if available; however, the 2019 AUD was not completed until January 29, 2020 and was filed to EMMA on January 29, 2020.
- The audited financial statement for the fiscal year ending May 31, 2019 was dated on November 30, 2019, however, the Village did not receive the final version of the audit from its auditors until September 2, 2020. As such, the audit was filed late to EMMA on September 2, 2020.

The Village has provided notices of its above failures to file to EMMA.

TAX MATTERS

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

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

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

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

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds and Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. In recent years, legislative proposals have been made which generally would limit the exclusion from gross income of interest on obligations like the Bonds and Notes to some extent for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Bonds and Notes. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds and Notes. Prospective purchasers of the Bonds and Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion."

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds and Notes are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel's opinions will be in substantially the forms attached hereto as "APPENDIX – E & F".

LITIGATION

The Village from time to time receives notices of claim and is party to litigation. In the opinion of the Village, after consultation with the Village Attorney, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no significant claims or actions pending in which the Village has not asserted a substantial and adequate defense, nor which, if determined against the Village, would have an adverse material effect on the financial condition of the Village.

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

RATINGS

The Notes are NOT rated.

Moody’s Investors Service, Inc. (“Moody’s”) has assigned their rating of “Baa3” with a Stable outlook to the Bonds. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. This rating reflects only the view of Moody’s and any desired explanation of the significance of such rating should be obtained from Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, NY 10007, Phone: (212) 553-0038, Fax: (212) 553-1390.

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 of the bonds may have an adverse effect on the market price of the Bonds and 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 Bonds and Notes and has reviewed and commented on certain legal documents, including this Official Statement. The advice on the plan of financing and the structuring of the Bonds and 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 Fiscal Advisors are partially contingent on the successful closing of the Bonds and 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 Bonds and Notes. All expenses in relation to the printing of CUSIP numbers on the Bonds and 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 Bonds and 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's files with the repositories. When used in Village documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

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

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

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

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

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The Village contact information is as follows: Ms. Cindy Kennerup, Village Clerk/Treasurer, Village of Johnson City, 243 Main Street, Johnson City, New York 13790, Phone: (607) 798-7861, Fax: (607) 798-7865, email: cindyk@villageofjc.com.

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

VILLAGE of JOHNSON CITY
BROOME COUNTY, NEW YORK

Dated: September 15, 2020 /s/__________________________________

CINDY KENNERUP
VILLAGE CLERK / TREASURER

GENERAL FUND

Balance Sheets

Fiscal Years Ending May 31:	2015	2016	2017	2018	2019
ASSETS					
Cash and Short-term Investments	$ 309,291	$ 1,047,121	$ 2,154,405	$ 2,046,669	$ 1,976,702
Taxes Receivable	5,688	3,870	-	-	-
Other Receivables	30,000	113,789	969,601	1,113,057	135,185
Due from Other Governments	474,118	851,174	113,789	-	59,681
Due from Fiduciary Funds	-	-	30,000	-	-
Due from Other Funds	-	1,348,078	1,717,773	1,747,772	3,171,510
TOTAL ASSETS	$ 819,097	$ 3,364,032	$ 4,985,568	$ 4,907,498	$ 5,343,078
LIABILITES AND FUND EQUITY					
Accounts Payable	$ 39,194	$ -	$ 283,516	$ 152,703	$ 7,691
Accrued Liabilities	-	-	-	-	-
Due to Other Funds	645,288	-	-	-	-
TOTAL LIABILITIES	$ 684,482	$ -	$ 283,516	$ 152,703	$ 7,691
FUND EQUITY					
Restricted	103,438	89,662	89,662	100,454	26,516
Assigned	-	-	-	-	-
Unassigned	31,177	3,274,370	4,612,390	4,654,341	5,308,871
TOTAL FUND EQUITY	$ 134,615	$ 3,364,032	$ 4,702,052	$ 4,754,795	$ 5,335,387
TOTAL LIABILITES and FUND EQUITY	$ 819,097	$ 3,364,032	$ 4,985,568	$ 4,907,498	$ 5,343,078

Source: Audited financial statements of the Village. This Appendix itself is not audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending May 31:	2015	2016	2017	2018	2019
REVENUES					
Real Property Taxes	$ 9,684,206	$ 9,944,989	$ 10,166,767	$ 10,519,739	$ 10,831,213
Real Property Tax Items	338,030	354,235	274,215	-	-
Non-Property Tax Items	3,549,334	4,105,030	4,644,660	3,957,427	4,288,347
Departmental Income	140,252	146,162	160,381	159,411	153,952
Intergovernmental Charges	256,400	170,000	165,000	179,069	170,000
Use of Money & Property	51,478	55,694	59,412	62,968	72,096
Licenses and Permits	66,024	77,100	97,350	91,427	80,595
Fines and Forfeitures	137,931	117,442	163,006	203,993	181,911
Sale of Property and Compensation for Loss	26,974	7,260	978	126,095	77,100
Miscellaneous	295,625	292,568	261,752	248,997	332,624
Interfund Revenues	-	-	-	-	-
Revenes from State Sources	1,310,708	3,127,075	3,094,527	1,788,842	777,869
Revenues from Federal Sources	345,459	18,784	-	-	-
Total Revenues	$ 16,202,421	$ 18,416,339	$ 19,088,048	$ 17,337,968	$ 16,965,707
EXPENDITURES					
General Government Support	$ 1,614,689	$ 1,416,785	$ 1,781,992	$ 1,738,371	$ 1,579,464
Public Safety	5,569,994	5,320,898	5,148,184	6,059,866	7,097,316
Health	-	-	-	-	-
Transportation	828,511	816,318	798,617	924,897	860,850
Culture and Recreation	523,558	252,707	239,301	269,513	243,441
Home and Community Services	12,271	21,373	13,476	30,362	17,423
Employee Benefits	6,792,737	6,367,058	6,742,014	6,778,383	6,197,220
Debt Service	927,551	1,033,628	1,178,398	859,831	48,780
Capital Outlay	864,280	4,087,803	2,692,109	2,777,493	1,128,754
Total Expenditures	$ 17,133,591	$ 19,316,570	$ 18,594,091	$ 19,438,716	$ 17,173,248
Excess of Revenues Over (Under) Expenditures	$ (931,170)	$ (900,231)	$ 493,957	$ (2,100,748)	$ (207,541)
Other Financing Sources (Uses):					
Operating Transfers In	135,964	4,625,310	844,063	2,153,491	2,547,602
Operating Transfers Out	-	(495,662)	-	-	(1,759,469)
Total Other Financing	$ 135,964	$ 4,129,648	$ 844,063	$ 2,153,491	$ 788,133
Excess of Revenues and Other Sources Over (Under) Expeditures and Other Uses	(795,206)	3,229,417	1,338,020	52,743	580,592
FUND BALANCE					
Fund Balance - Beginning of Year	$ 929,821	$ 134,615	$ 3,364,032	$ 4,702,052	$ 4,754,795
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 134,615	$ 3,364,032	$ 4,702,052	$ 4,754,795	$ 5,335,387

Source: Audited financial statements of the Village. This Appendix itself is not audited.

GENERAL FUND

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

Fiscal Years Ending May 31:	2019 Adopted Budget	2019 Modified Budget	2019 Audited Actual	2020 Adopted Budget	2021 Adopted Budget
REVENUES					
Real Property Taxes	$ 10,695,638	$ 10,695,638	$ 10,831,213	$ 10,577,435	$ 10,671,238
Real Property Tax Items	-	-	-	325,000	325,000
Non-Property Tax Items	4,020,133	4,020,133	4,288,347	4,370,912	4,370,912
Departmental Income	193,555	193,555	153,952	172,441	181,207
Intergovernmental Charges	170,000	170,000	170,000	188,000	191,500
Use of Money & Property	54,447	54,447	72,096	58,560	62,500
Licenses and Permits	123,079	123,079	80,595	106,294	116,344
Fines and Forfeitures	204,919	204,909	181,911	200,000	200,000
Sale of Property and Compensation for Loss	-	-	77,100	48,500	63,500
Miscellaneous	315,000	315,000	332,624	307,500	380,000
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	2,323,527	2,358,527	777,869	4,154,520	3,682,341
Revenues from Federal Sources	1,293,000	1,293,000	-	212,000	1,191,500
Total Revenues	$ 19,393,298	$ 19,428,288	$ 16,965,707	$ 20,721,162	$ 21,436,042
EXPENDITURES					
General Government Support	$ 1,688,107	$ 1,630,438	$ 1,579,464	$ 2,711,832	$ 13,908,145 (1)
Public Safety	6,963,159	7,117,893	7,097,316	7,384,072	7,050,325
Health	-	-	-	-	-
Transportation	883,324	860,850	860,850	2,741,995	2,864,621
Culture and Recreation	1,890,021	1,844,739	243,441	3,782,152	3,326,007
Home and Community Services	33,925	17,423	17,423	41,700	61,150
Employee Benefits	6,380,211	6,197,970	6,197,220	4,914,363	7,093,580
Debt Service	-	48,794	48,780	-	-
Capital Outlay	2,627,123	2,577,358	1,128,754	-	-
Total Expenditures	$ 20,465,870	$ 20,295,465	$ 17,173,248	$ 21,576,114	$ 34,303,828
Excess of Revenues Over (Under) Expenditures	$ (1,072,572)	$ (867,177)	$ (207,541)	$ (854,952)	$ (12,867,786)
Other Financing Sources (Uses):					
Operating Transfers In	2,628,763	2,628,763	2,547,602	2,186,398	12,619,777 (2)
Operating Transfers Out	(1,556,189)	(1,759,469)	(1,759,469)	(1,762,880)	(1,822,991)
Total Other Financing	$ 1,072,574	$ 869,294	$ 788,133	$ 423,518	$ 10,796,786
Excess of Revenues and Other Sources Over (Under) Expeditures and Other Uses	2	2,117	580,592	(431,434)	(2,071,000)
FUND BALANCE					
Fund Balance - Beginning of Year	$ -	$ -	$ 4,754,795	$ 431,434	$ 2,071,000
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 2	$ 2,117	$ 5,335,387	$ -	$ -

(1) Includes $12,000,000 budgeted for new DPW Facility.
(2) Includes $8,136,342 in bond anticipation note proceeds.

Source: 2019 Audited financial statement and adopted budgets (unaudited) of the Village. This Appendix itself is not audited.

CHANGES IN FUND EQUITY

Fiscal Years Ending May 31:	**2015**	**2016**	**2017**	**2018**	**2019**
ENTERPRISE WATER FUND					
Fund Equity - Beginning of Year	$ 4,188,680	$ 4,449,876	$ 4,290,081	$ 4,671,445	$ 347,143
Prior Period Adjustments (net)	-	(92,048)	-	(4,188,920)	-
Revenues & Other Sources	2,882,349	2,746,695	3,017,764	3,077,934	4,054,275
Expenditures & Other Uses	2,621,153	2,814,442	2,636,400	3,213,316	3,030,350
Fund Equity - End of Year	$ 4,449,876	$ 4,290,081	$ 4,671,445	$ 347,143	$ 1,371,068
ENTERPRISE SEWER FUND					
Fund Equity - Beginning of Year	$ (2,176,707)	$ (1,150,132)	$ (477,197)	$ 602,638	$ 2,212,787
Prior Period Adjustments (net)	-	(9,205)	-	1,269,592	-
Revenues & Other Sources	2,806,465	2,593,009	3,161,622	4,200,935	4,375,178
Expenditures & Other Uses	1,779,890	1,910,869	2,081,787	3,860,378	3,474,942
Fund Equity - End of Year	$ (1,150,132)	$ (477,197)	$ 602,638	$ 2,212,787	$ 3,113,023
ENTERPRISE REFUSE/GARBAGE					
Fund Equity - Beginning of Year	$ (540,014)	$ (448,938)	$ (221,195)	$ (532,064)	$ 1,074,224
Prior Period Adjustments (net)	-	(2,117)	-	1,466,637	-
Revenues & Other Sources	1,859,596	1,849,009	1,660,488	1,706,456	1,996,928
Expenditures & Other Uses	1,768,520	1,619,149	1,971,357	1,566,805	1,571,611
Fund Equity - End of Year	$ (448,938)	$ (221,195)	$ (532,064)	$ 1,074,224	$ 1,499,541
CAPITAL PROJECTS					
Fund Equity - Beginning of Year	$ (10,166,682)	$ (8,400,090)	$ (20,727,935)	$ (41,426,380)	$ (72,667,491)
Prior Period Adjustments (net)	1,556,788	-	-	827,059	-
Revenues & Other Sources	1,794,644	977,167	7,820,924	6,918,695	85,505,264
Expenditures & Other Uses	1,584,840	13,305,012	28,519,369	38,986,865	28,132,371
Fund Equity - End of Year	$ (8,400,090)	$ (20,727,935)	$ (41,426,380)	$ (72,667,491)	$ (15,294,598)

Source: Audited financial statements of the Village. This Appendix itself is not audited.

BONDED DEBT SERVICE

Fiscal Year Ending May 31st	Principal	Interest	Total
2021	$ 3,833,903	$ 2,730,435	$ 6,564,338
2022	3,887,030	2,653,996	6,541,026
2023	3,840,140	2,574,791	6,414,931
2024	3,823,270	2,495,607	6,318,877
2025	3,821,390	2,413,744	6,235,134
2026	3,879,500	2,341,842	6,221,342
2027	3,957,620	2,228,859	6,186,479
2028	4,035,740	2,145,707	6,181,447
2029	4,073,860	2,045,342	6,119,202
2030	4,161,970	1,939,818	6,101,788
2031	4,105,090	1,831,471	5,936,561
2032	3,638,210	1,718,895	5,357,105
2033	3,506,320	1,624,577	5,130,897
2034	3,564,440	1,528,881	5,093,321
2035	2,957,560	1,428,040	4,385,600
2036	2,990,680	1,341,868	4,332,548
2037	3,048,790	1,251,933	4,300,723
2038	3,116,910	1,157,766	4,274,676
2039	3,180,030	1,057,919	4,237,949
2040	3,248,140	952,750	4,200,890
2041	2,981,260	849,378	3,830,638
2042	3,049,380	749,474	3,798,854
2043	3,117,500	648,064	3,765,564
2044	3,190,610	545,075	3,735,685
2045	3,243,730	439,952	3,683,682
2046	3,281,850	331,681	3,613,531
2047	3,319,970	221,096	3,541,066
2048	2,323,080	126,697	2,449,777
2049	2,341,200	48,627	2,389,827
TOTALS	$ 99,519,173	$ 41,424,284	$ 140,943,457

CURRENT BONDS OUTSTANDING

Ending May 31st	2002 NYSEFC Series 2002G Principal	Interest	Total	2005 NYSEFC Series 2005A Principal	Interest	Total
2021	$ 35,000	$ 15,786	$ 50,786	$ 565,000	$ 234,620	$ 799,620
2022	35,000	14,719	49,719	575,000	220,551	795,551
2023	35,000	13,633	48,633	580,000	205,889	785,889
2024	40,000	12,445	52,445	590,000	190,821	780,821
2025	40,000	11,151	51,151	595,000	175,192	770,192
2026	40,000	9,849	49,849	605,000	172,333	777,333
2027	40,000	8,533	48,533	615,000	131,672	746,672
2028	45,000	7,130	52,130	620,000	126,816	746,816
2029	45,000	5,638	50,638	630,000	109,511	739,511
2030	45,000	4,142	49,142	635,000	91,758	726,758
2031	50,000	2,564	52,564	645,000	73,858	718,858
2032	50,000	896	50,896	650,000	55,675	705,675
2033	-	-	-	660,000	37,351	697,351
2034	-	-	-	665,000	18,746	683,746
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
2039	-	-	-	-	-	-
2040	-	-	-	-	-	-
TOTALS	$ 500,000	$ 106,484	$ 606,484	$ 8,630,000	$ 1,844,794	$ 10,474,794

Ending May 31st	2010 NYSEFC Series 2010C Principal	Interest	Total	2012 2012 NYSEFC Refunding of Series 2003B Principal	Interest	Total
2021	$ 220,000	$ 221,632	$ 441,632	$ 90,000	$ 66,178	$ 156,178
2022	225,000	214,696	439,696	95,000	60,721	155,721
2023	230,000	207,152	437,152	100,000	54,885	154,885
2024	235,000	199,048	434,048	105,000	48,663	153,663
2025	240,000	190,448	430,448	110,000	42,053	152,053
2026	240,000	181,479	421,479	110,000	35,245	145,245
2027	245,000	172,038	417,038	115,000	28,282	143,282
2028	250,000	162,051	412,051	125,000	20,811	145,811
2029	255,000	151,637	406,637	130,000	12,831	142,831
2030	265,000	140,699	405,699	140,000	4,381	144,381
2031	270,000	129,370	399,370	-	-	-
2032	275,000	117,417	392,417	-	-	-
2033	280,000	104,807	384,807	-	-	-
2034	285,000	91,970	376,970	-	-	-
2035	295,000	78,793	373,793	-	-	-
2036	300,000	65,274	365,274	-	-	-
2037	305,000	51,439	356,439	-	-	-
2038	315,000	37,169	352,169	-	-	-
2039	320,000	22,555	342,555	-	-	-
2040	330,000	7,595		-	-	
TOTALS	$ 5,380,000	$ 2,547,268	$ 7,589,673	$ 1,120,000	$ 374,050	$ 1,494,050

Ending May 31st	2013 Advance Refunding of 2000 & 2005 bonds Principal	Interest	Total	2014 Public Improvements Principal	Interest	Total	2016 Public Improvements Principal	Interest	Total
2021	$ 355,000	$ 170,250	$ 525,250	$ 90,000	$ 17,288	$ 107,288	$ 195,000	$ 70,100	$ 265,100
2022	360,000	161,375	521,375	90,000	15,038	105,038	205,000	61,075	266,075
2023	375,000	151,475	526,475	90,000	12,788	102,788	95,000	53,575	148,575
2024	385,000	140,225	525,225	90,000	10,425	100,425	100,000	48,700	148,700
2025	400,000	126,750	526,750	25,000	8,813	33,813	105,000	43,575	148,575
2026	420,000	111,750	531,750	25,000	8,063	33,063	115,000	38,363	153,363
2027	440,000	96,000	536,000	25,000	7,297	32,297	120,000	33,075	153,075
2028	460,000	78,400	538,400	25,000	6,500	31,500	125,000	27,563	152,563
2029	480,000	60,000	540,000	25,000	5,672	30,672	130,000	21,825	151,825
2030	500,000	40,800	540,800	25,000	4,813	29,813	135,000	15,863	150,863
2031	520,000	20,800	540,800	25,000	3,938	28,938	140,000	9,675	149,675
2032	-	-	-	25,000	3,063	28,063	145,000	3,263	148,263
2033	-	-	-	25,000	2,188	27,188	-	-	-
2034	-	-	-	25,000	1,313	26,313	-	-	-
2035	-	-	-	25,000	438	25,438	-	-	-
TOTALS	$ 4,695,000	$ 1,157,825	$ 5,852,825	$ 635,000	$ 107,631	$ 742,631	$ 1,610,000	$ 426,650	$ 2,036,650

CURRENT BONDS OUTSTANDING

Ending	2016 NYSEFC Series 2012B SRF			2017 Public Improvements			2019 NYSEFC 2019 Clean Water SIB			2019A NYSEFC Series 2019A SRF		
May 31st	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	$ 685,000	$ 576,335	$ 1,261,335	$ 115,000	$ 23,125	$ 138,125	$ 183,920	$ -	$ 183,920	$ 1,299,983	$ 1,335,121	$ 2,635,104
2022	685,000	570,628	1,255,628	115,000	17,375	132,375	187,030	-	187,030	1,315,000	1,317,818	2,632,818
2023	695,000	563,945	1,258,945	115,000	11,625	126,625	190,140	-	190,140	1,335,000	1,299,825	2,634,825
2024	700,000	556,110	1,256,110	35,000	7,875	42,875	193,270	-	193,270	1,350,000	1,281,294	2,631,294
2025	705,000	547,412	1,252,412	35,000	6,125	41,125	196,390	-	196,390	1,370,000	1,262,226	2,632,226
2026	710,000	537,944	1,247,944	35,000	4,375	39,375	199,500	-	199,500	1,380,000	1,242,442	2,622,442
2027	720,000	527,660	1,247,660	35,000	2,625	37,625	202,620	-	202,620	1,400,000	1,221,678	2,621,678
2028	725,000	515,742	1,240,742	35,000	875	35,875	205,740	-	205,740	1,420,000	1,199,819	2,619,819
2029	735,000	501,250	1,236,250	-	-	-	208,860	-	208,860	1,435,000	1,176,977	2,611,977
2030	745,000	484,443	1,229,443	-	-	-	211,970	-	211,970	1,460,000	1,152,920	2,612,920
2031	755,000	465,895	1,220,895	-	-	-	215,090	-	215,090	1,485,000	1,125,372	2,610,372
2032	765,000	445,854	1,210,854	-	-	-	218,210	-	218,210	1,510,000	1,092,729	2,602,729
2033	780,000	424,712	1,204,712	-	-	-	221,320	-	221,320	1,540,000	1,055,519	2,595,519
2034	795,000	402,560	1,197,560	-	-	-	224,440	-	224,440	1,570,000	1,014,293	2,584,293
2035	805,000	379,338	1,184,338	-	-	-	227,560	-	227,560	1,605,000	969,472	2,574,472
2036	820,000	355,139	1,175,139	-	-	-	230,680	-	230,680	1,640,000	921,455	2,561,455
2037	835,000	329,952	1,164,952	-	-	-	233,790	-	233,790	1,675,000	870,542	2,545,542
2038	850,000	303,883	1,153,883	-	-	-	236,910	-	236,910	1,715,000	816,714	2,531,714
2039	870,000	275,280	1,145,280	-	-	-	240,030	-	240,030	1,750,000	760,084	2,510,084
2040	885,000	244,287	1,129,287	-	-	-	243,140	-	243,140	1,790,000	700,868	2,490,868
2041	905,000	212,676	1,117,676	-	-	-	246,260	-	246,260	1,830,000	636,702	2,466,702
2042	920,000	180,446	1,100,446	-	-	-	249,380	-	249,380	1,880,000	569,028	2,449,028
2043	940,000	148,449	1,088,449	-	-	-	252,500	-	252,500	1,925,000	499,614	2,424,614
2044	960,000	116,615	1,076,615	-	-	-	255,610	-	255,610	1,975,000	428,461	2,403,461
2045	980,000	84,110	1,064,110	-	-	-	258,730	-	258,730	2,005,000	355,842	2,360,842
2046	1,000,000	50,935	1,050,935	-	-	-	261,850	-	261,850	2,020,000	280,746	2,300,746
2047	1,020,000	17,090	1,037,090	-	-	-	264,970	-	264,970	2,035,000	204,006	2,239,006
2048	-	-	-	-	-	-	268,080	-	268,080	2,055,000	126,697	2,181,697
2049	-	-	-	-	-	-	271,200	-	271,200	2,070,000	48,627	2,118,627
TOTALS	$ 21,990,000	$ 9,818,691	$ 31,808,691	$ 520,000	$ 74,000	$ 594,000	$ 6,599,190	$ -	$ 6,599,190	$ 47,839,983	$ 24,966,891	$ 72,806,874

CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO THE BONDS

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

(i) to the Electronic Municipal Market Access (“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, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the final Official Statement dated September 21, 2020 of the Village relating to the Bonds under the headings “THE TOWN”, “TAX INFORMATION”, “STATUS OF INDEBTEDNESS”, “LITIGATION” and all Appendices (other APPENDIX C, D, E & F, and other than any Appendix related to bond insurance) by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending May 31, 2020, and (ii) a copy of the audited financial statement, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending May 31, 2021; such audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the Village of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year; and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the Village of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;

(ii) within 10 business days after the occurrence of such event, notice of the occurrence of any of the following events with respect to the Bonds, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule:

(a) principal and interest payment delinquencies

(b) non-payment related defaults; if material

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

(d) unscheduled draws on credit enhancements reflecting financial difficulties

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

(f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(g) modifications to rights of Bondholders; if material

(h) bond calls, if material, and tender offers

(i) defeasances

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

(k) rating changes

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

(m) the consummation of a merger, consolidation, or acquisition involving the Village or the sale of all or substantially all of the assets of the Village, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

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

(o) incurrence of a “financial obligation” (as defined in the Rule) of the 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 Bondholders, 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) 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 Bonds.

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

For the purposes of the event identified in (l) of this section, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person 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 obligated person, 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 obligated person.

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

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

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

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

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

A Continuing Disclosure Undertaking Certificate to this effect shall be provided to the purchaser at closing.

MATERIAL EVENT NOTICES WITH RESPECT TO THE NOTES

In accordance with the provisions of Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, the 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 Note is outstanding, to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Note:

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

(d) in the case of credit enhancement, if any, provided in connection with the issuance of the Notes, unscheduled draws on credit enhancements reflecting financial difficulties

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

(f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes

(g) modifications to rights of 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 Notes

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

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

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

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

The Village reserves the right to terminate its obligation to provide the aforedescribed notices of material events, as set forth above, if and when the Village no longer remains an obligated person with respect to the Note within the meaning of the Rule. The Issuer acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Notes (including holders of beneficial interests in the Note). 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 Material Events" to this effect shall be provided to the purchaser(s) at closing.

Please see the heading titled "CONTINUING DISCLOSURE – Historical Continuing Disclosure Compliance" within the Official Statement for an overview of the Village's past disclosure compliance.

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FORM OF BOND COUNSEL'S OPINION

October 1, 2020

Village of Johnson City,
County of Broome
State of New York

Re: Village of Johnson City, County of Broome, New York
$2,200,000 Public Improvement (Serial) Bonds, 2020

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of $2,200,000 Public Improvement (Serial) Bonds, 2020 (the "Obligations"), of the Village of Johnson City (the "Obligor"), dated October 1, 2020, initially issued in registered form in denominations such that one bond shall be issued for each maturity of bonds in such amounts as hereinafter set forth, bearing interest at the rate of ____ hundredths per centum (_____%) per annum as to bonds maturing in _____, payable on October 1, 2021 and semi-annually thereafter on April 1 and October 1, and maturing in the amount of $________ on October 1, 2021, $________ on October 1, 2022, $________ on October 1, 2023, $________ on October 1, 2024, $________ on October 1, 2025, $________ on October 1, 2026, $________ on October 1, 2027, $________ on October 1, 2028, $________ on October 1, 2029 and $________ on October 1, 2030.

The Obligations maturing on or before October 1, 2028 shall not be subject to redemption prior to maturity. The Obligations maturing on or after October 1, 2029 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the Village on October 1, 2028 or on any date thereafter at par, plus accrued interest to the date of redemption.

We have examined:

(1) the Constitution and statutes of the State of New York;

(2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");

(3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligations that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligations not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligations and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligations to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligations and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and

(4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

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

In our opinion:

(a) The Obligations 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 Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligations and interest thereon, subject to applicable statutory limitations; provided, however, that the enforceability (but not the validity) of the Obligations: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.

(b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligations; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.

(c) Interest on the Obligations is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligations is not a specific preference item for purposes of the federal alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligations.

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

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

The scope of our engagement in relation to the issuance of the Obligations has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the Obligations as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligations for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligations, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP

APPENDIX - F

FORM OF BOND COUNSEL'S OPINION – THE NOTES

October 1, 2020

Village of Johnson City,
County of Broome
State of New York

Re: Village of Johnson City, County of Broome, New York
$9,609,886 Bond Anticipation Notes, 2019 Series B

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of $9,609,886 Bond Anticipation Notes, 2019 Series B (the "Obligation"), of the Village of Johnson City, County of Broome, State of New York (the "Obligor"), dated October 1, 2020, in the denomination of $_________, bearing interest at the rate of ___% per annum, payable at maturity, and maturing October 1, 2021.

We have examined:

(1) the Constitution and statutes of the State of New York;

(2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");

(3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligation that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligation not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligation and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligation to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligation and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and

(4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

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

In our opinion:

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

(b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligation; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.

(c) Interest on the Obligation is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligation is not a specific preference item for purposes of the federal alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligation.

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

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

The scope of our engagement in relation to the issuance of the Obligation has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the Obligation as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligation for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligation, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP

VILLAGE OF JOHNSON CITY
BROOME COUNTY, NEW YORK

ANNUAL FINANCIAL REPORT
WITH INDEPENDENT AUDITORS REPORT

For the Year Ended December 31, 2019

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

The Village's independent auditor has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Village's independent auditor also has not performed any procedures relating to this Official Statement.

VILLAGE OF JOHNSON CITY
TABLE OF CONTENTS

Cwynar & Company

Certified Public Accountants
A Professional Limited Liability Company

12 South Broad Street
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Norwich, New York 13815

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INDEPENDENT AUDITORS' REPORT

Mayor and Trustees
Village of Johnson City
Johnson City, New York

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Village of Johnson City, New York (the “Village”), as of and for the year ended May 31, 2019, and the related notes to the financial statements, which collectively comprise the Village’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

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

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

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

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Modified
Governmental Funds:	
General Fund	Unmodified
Capital Projects Fund	Unmodified
Debt Service Fund	Unmodified
Special Revenue Water Fund	Unmodified
Special Revenue Sewer Fund	Unmodified
Special Revenue Refuse Fund	Unmodified

Basis for Modified Opinion on Governmental Activities

As discussed in Note 11 to the financial statements, management did not prepare a financial report for a joint sewage treatment plant that they operate with the City of Binghamton. A report was prepared for the year ended December 31, 2018. Accounting principles generally accepted in the United States of America require management to maintain an investment account for joint activities, adequate disclosure be provided, which may affect net position. Also, the changes for the current year directly impact the Statement of Activities and changes in net position. The amount by which this departure would affect the current activity has not been determined.

As discussed in Note 4 to the financial statements, management has not updated the appraisal report for capital assets since 2014. An appraisal report was prepared on November 21, 2013 that has been updated for additions and disposals. Accounting principles generally accepted in the United States of America require management to maintain fixed asset accounts for adequate disclosure in the financial statement. The amount by which this departure would affect the Statement of Net Position and the Statement Activities has not been determined.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Cwynar & Company

Norwich, New York
November 30, 2019

Management's Discussion and Analysis

This section of the Village of Johnson City's (the Village) Annual Financial Report presents a narrative overview and analysis of the financial activities of the Village for the year ended May 31, 2019. We encourage readers to consider the information presented here in conjuction with additional information in the financial statements. Certain amounts presented as 2018 have been reclassified to conform to the presentation in the 2019 basic financial statements.

FINANCIAL HIGHLIGHTS

The Village's governmental assets and deferred outflows of resources was less than liabilities and deferred inflows of resources at the close of the most recent fiscal year by $18.1 million (net position). The year end net position was composed of $64.3 million in net investment in capital assets and ($82.4 million) deficit in unrestricted net position. The deficit is primarily attributable to recognition of Other Post Employment Benefits liability and related deferred inflows totaling $92.4 million and Net Pension Liabilities of $3.1 million. General revenues exceeded net expenditures on the government-wide statement of activities by $18 million.

The Village's General Fund expenses were $208 thousand more than the $17 million generated in tax and other general government activities. Revenues of the Special Revenue Funds (Water, Sewer, and Refuse Funds) were $4.1 million more than expenditures.

The Village records its proportionate share of net pension (asset) liability along with deferred inflows and deferred outflows related to pensions in accordance with parameters of GASB Statement No 68 "Accounting and Financial Reporting for Pensions." Current year recognition resulted in an additional $460 thousand of employee benefits expense.

The Village other post employment benefits in accordance with parameters of GASB Statement No 75 "Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions." Current year recognition resulted in a reduction of $3.3 million of employee benefits expense.

The Village's long-term liablities increased by $77 million largely for the conversion of $79 million of short term financing to long term for the Joint Sewage Treatment Plant project. Bond Anticipation Notes that were used for general governmental activities increased by $3.7 million. Bond Anticipation Notes expected to be converted to long term or financies with grant revenues related to the Joint Sewage Treatment Plant increased $31 million.

The Village has a substantial investment in the Joint Sewage Treatment Plant with the City of Binghamton. The cost of construction is partially funded with grant revenues from Federal and New York State sources. The total estimated cost of construction is expected to be $365 million, however since it is a shared project the Village's portion is $165 million. The current aggregate principal amount of bonds authorized for the project is $330 million, with 54.8% attributable or allocated to the City of Binghamton and 45.2% ($149 million) attributable or allocated to the Village of Johnson City. The Village has approximately $95.2 million in bonds to New York State Environmental Facilities Corporation (EFC) to finance its share of the cost of the Project. In addition, the project is currntly utilizing and addtional $5 million in short term financing options through EFC and recevied approximately $6 million in grants this year to fund project costs. When the project is completed in 2021 all the short term financing is expected to be redeemed with the proceeds of bonds expected to be issued through EFC and/or other sources, including additional Federal Emergency Management Agency ("FEMA") aid in the future. Last fiscal year the Joint Sewage Treatment Plant passed through income of $5.3 million to the Village.

This discussion and analysis are intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: (1) Government-wide financial statements, (2) Fund financial statements, and (3) Notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. These various elements of the Annual Financial Report are related as shown in the graphic below.

<table>
<tr><td colspan="4">Management's Discussion and Analysis</td></tr>
<tr><td rowspan="6">Basic Financial Statements</td><td>Government-wide Financial Statements</td><td colspan="2">Fund Financial Statements</td></tr>
<tr><td rowspan="3">Statement of Net Position</td><td>Governmental Funds</td><td>Fiduciary Funds</td></tr>
<tr><td>Balance Sheet</td><td rowspan="3">Statement of Fiduciary Net Position</td></tr>
<tr><td rowspan="2">Statement of Revenues, Expenditures, and Changes in Fund Balance</td></tr>
<tr><td>Statement of Activities</td></tr>
<tr><td colspan="3">Notes to the Financial Statements</td></tr>
<tr><td colspan="4">Required Supplementary Information
Other Than Management Discussion and Analysis</td></tr>
</table>

This annual report consists of three parts: management discussion & analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Village. The government-wide financial statements provide both short term and long term information about the Village's overall financial status. The remaining statements are fund financial statements that focus on individual parts of the Village, reporting the Village's operations in more detail than the government-wide statements. The fund financial statements concentrate on the Village's most significant funds, with all other non-major funds listed in total in one column. The governmental funds statements tell how basic services such as public safety and transportation, were financed in the short term as well as what remains for future spending. Fiduciary funds statements provide information about the financial relationships in which the Village acts solely as a trustee or agent for the benefit of others.The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison to the Village's budget for the year.

The following figure summarizes the major features of the financial statements. The overview section blow also decribes the structure and contents of each of the statements in more detail.

		Fund Financial Statements
Government-Wide		**Governmental Funds**
Scope	Entire Village (except fiduciary funds)	The activities of the Village that are not proprietary or fiduciary, such as special education and building maintenance
Required Financial Statements	Statement of Net Position Statement of Activites	Balance sheet Statement of revenues, expenditures, and changes in fund balances
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus
Type of Asset or Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included
Type of Inflow or Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

Government-wide FinancialStatements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business.

The **statement of net position** presents information on all of the Village's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the Village is. improving or deteriorating.

The **statement of activities** presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused vacation and sick leave.

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include public safety, public works, transportation and commerce, human welfare and neighborhood development, community health, culture and recreation, general administration and finance, and general Village responsibilities. The business-type activities of the Village include water and sewer operations.

The government-wide financial statements include only the Village itself (known as the primary government). Financial information for any related component unit, such as the village library is reported separately from the financial information presented for the primary government.

Fund Financial Statements

The fund financial statements are designed to report information about groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Village can be divided into the following two categories: **governmental** funds and **fiduciary** funds.

Governmental funds. All of the Village's services are reported in the Governmental funds, which focus on (1) how cash and other financial assets can readily be converted to available resources and (2) the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual accounting* which measures cash and all other financial assets that can easily be converted to cash. The Governmental Fund financial statements provide a detailed short-term view of the village's general governmental operations and the basic services it provides. Governmental Fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance Village programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains several individual governmental funds organized according to their type (special revenue, debt service, and capital project funds). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annually appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. The Village employees' pension and health plans and the agency funds are reported under the fiduciary funds. Since the resources of these funds are not available to support the Village's own programs, they are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the Village's adopted budget and progress on capital projects. Budgetary comparison statements have been provided for the General and Capital Project Funds to demonstrate compliance with the adopted budgets.

Combining Statements and Schedules

The combining statements and schedules referred to earlier in connection with nonmajor governmental funds, such as the water fund, sewer fund, refuse fund, and fiduciary funds are presented immediately following the required supplementary information on pensions and other postemployment benefits.

Analysis of Net Position

The Village's total net position which serves as a useful indicator of the government's overall financial position was a negative $18.1 million. However, the Village has a positive net position in invested in capital assets, the unrestricted net positon is negative.

Net Position
In thousands of dollars (000s)

	2019	2018
Assets:		
Current and other assets	$ 12,429	$ 9,602
Investment in joint venture	118,219	86,086
Capital assets	66,419	66,700
	197,067	162,388
Deferred Outflows	4,278	3,560
Liabilities:		
Current liabilities	21,704	74,623
Noncurrent liabilities	177,689	80,239
	199,393	154,862
Deferred Inflows	20,093	4,089
Net Position:		
Invested in capital assets, net of related debt	64,259	52,022
Restricted	27	100
Unrestricted (deficit)	(82,426)	(45,127)
	$ (18,140)	$ 6,995

The investment in capital assets includes a significant investment in a joint venture with the City of Binghamton for a joint sewage treatment plant. That is the cost of land, buildings, and equipment less any outstanding debt related to the acquisition of these assets.

The governmental activities unrestricted net position is a deficit in part largely due to the required adjustments to record long term employee contractual obligations for net pension liability and other post employment benefit items. The village contributes to established New York State Pension Plans for their employees. The village also is obligated to fund retired employee potential health insurance and some out of pocket benefits. The village's other post employment benefits are funded annually for actual expense incurred. The amount invested in capital assets is used to provide services, and therefore not available for future spending. Further, the resources required to pay this debt must come from other sources since the capital assets themselves cannot be liquidated to pay that liability.

Statement of Activities

The statement of activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused vacation and sick leave.

Condensed Statement of Activities

In thousands of dollars (000s)

	2019	2018
Expenses:		
General government support	2,129	2,924
Public safety	10,524	14,470
Transportation	1,524	2,687
Culture & recreation	94	86
Home & community service	337	589
Interest on long-term debt	1,846	1,519
Water	2,227	2,871
Sewer	1,217	1,404
Refuse	1,215	1,606
	21,113	28,156
Program revenues:		
Charges for Services	$ 8,361	$ 6,988
Operating Grants	1,531	1,863
	9,892	8,851
General revenues:		
Property taxes	10,831	10,520
Nonproperty taxes	4,347	4,019
Use of money and property	80	67
Sale of property & compensation for loss	82	141
Miscellaneous	75	22
State sources	478	510
Capital grants	6,413	7,397
Change in equity interest in joint venture	6,896	3,999
	29,202	26,675
Total revenues	39,094	35,526
Change in net position	$ 17,981	$ 7,370

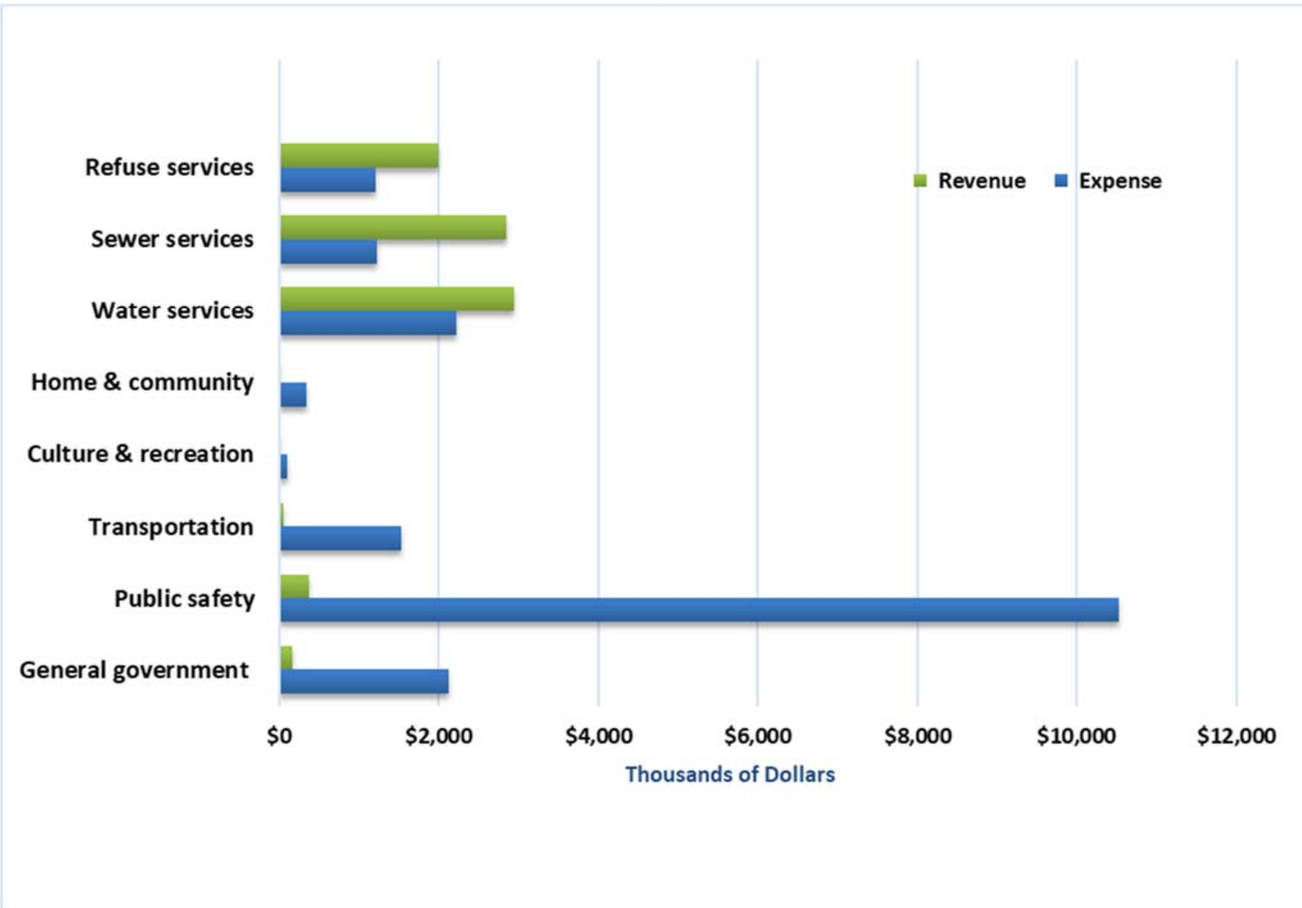
Analysis of Changes In Net Position

The Village's net position increased $18 million in 2019. The increase was due to an increase in equity position of the joint veture for the Sewage treatment plant along with the related Federal and State grant income from the project.

Program Revenues and Expenses – Governmental Activities

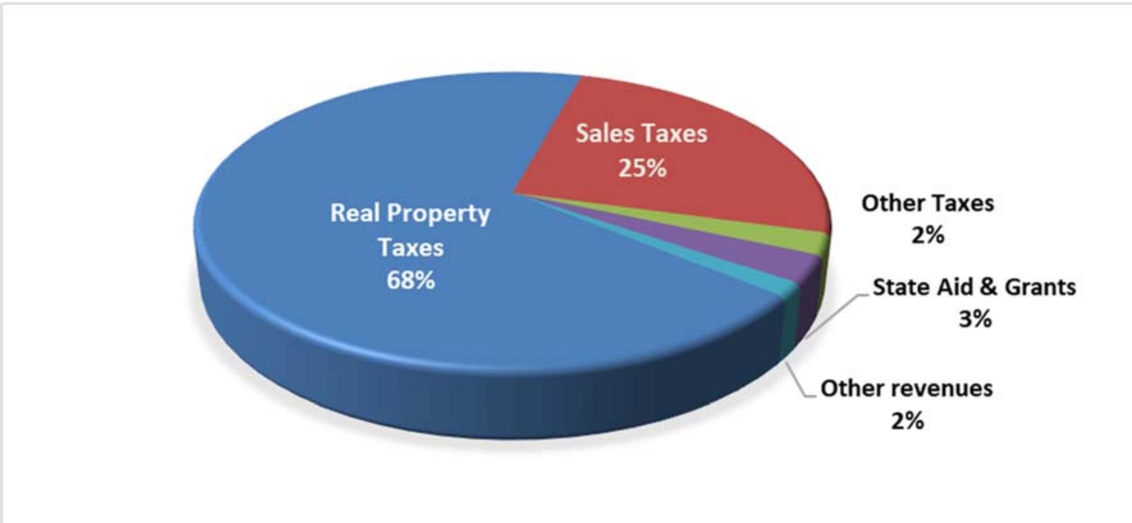
The charts illustrate program revenues and expenses by functional areas and revenues by source for governmental activities. Program revenues include charges for services, that are direct payments to the Village for services such as payments from other governments for services. As shown, public safety is the largest functional area, followed by general government, transporation, library, and other small funds including debt service.

Program Revenues and Expenses
In thousands of dollars (000s)



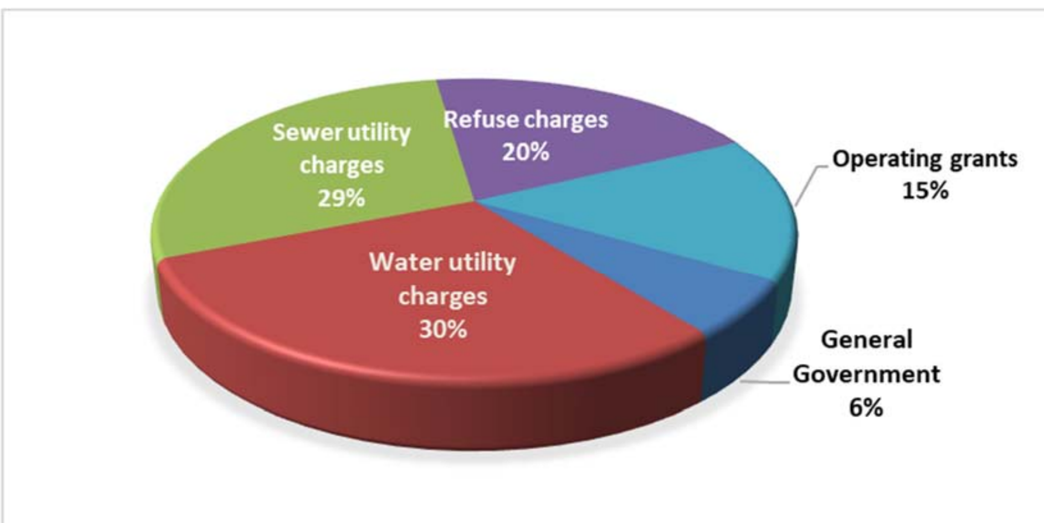
Revenues by Source – General Governmental Activities

General revenues are not shown by program or function because they are used to support activities Villagewide. The distribution of these revenues shows property tax as the single largest funding source, followed by sales tax and state sources.



Revenues by Source – Special Program Activities

Program revenues are shown by program or function because they are used to support specific activities. The distribution of these revenues shows charges for services for utilities and garbage pickup as the largest source of funds.



FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Village's governmental funds statements is to provide information on near-term inflows, outflows, and balances of resources available for future spending. Such information is useful in assessing the Village's financing requirements. Unassigned and assigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the Village include the General Fund, Special Revenue Funds (Water, Sewer and Refuse Funds), Capital Project Funds, and the Debt Service Fund.

At the end of the current fiscal year, the Village governmental funds reported combined fund deficit balances of $4 million. However $15.3 million of the deficit is the capital projects fund, this deficit will be converted to an asset when projects are completed. Included in the capital project deficit is the cost associated with the City of Binghamton and Village of Johnson City Joint Sewage Treatment Plant.

A total of $5.3 million is general fund balance that is accessible to meet the Village's operating needs.

The General Fund is the chief operating fund of the Village. As a measure of liquidity, both assigned fund balance and total fund balance can be compared to total fund expenditures. Unassigned fund balance is $5.3 million which is approximately 31 percent of total fund expenditures.

The capital project fund has a negative balance of $15.3 million largely related to a joint venture with the City of Binghamton for a sewage treatment plant . The negative balance is a normal account balance since the fund accounts for a "spend down" of money received from short term borrowings related to each capital project expediture. The Village is in the middle stages of the project currently budgeted for $365 million total. The Village's share is $149 million, periodically and upon completion the project costs will be closed along with negative fund balance to a long-term asset account. The capital project's fund deficit does not reflect any expected principal indebtedness forgiveness to be recognised. Grant income is recognised when the received.

Governmental Utility Funds

The Village provides utility services to their residents these funds are used to account for the proceeds of these revenue sources that are restricted to the related fund expenditures.

Governmental Utility Funds - Revenues and Expenses
In thousands of dollars (000s)

	Operating Revenues	Expenditures	Income	Non-Operating Revenues (Expenses)	Interfund Transfers In(Out)	Change in Fund Balance
Water Fund………………	$ 2,650	$ 1,660	$ 990	$ (1,035)	$ 1,069	$ 1,024
Sewer Fund………………	2,842	681	2,162	1,439	(2,700)	900
Refuse Fund……………	1,996	1,384	612	1	(188)	425
	$ 7,488	$ 3,725	$ 3,764	$ 405	$ (1,819)	$ 2,349

The table shows actual revenues, expenses and results of operations for the current year in the Village's Utility Special Revenue Funds. The total fund balance increased $2.3 million for these funds combined.

Fiduciary Funds

The Village maintains fiduciary funds to temporarily hold assets of employees related to payroll processing.

General Fund Budgetary Highlights

The Village's final budget differs from the original budget in that it contains carry-forward appropriations for various programs and projects and supplemental appropriations approved during the fiscal year for changes in revenue estimates.

Revenues received from local sources primarily for taxes and fees are $15.1 million, the village budgeted to receive $14.7 million. In addition, revenues from Federal and State sources are $778 thousand. Total revenues received is $17 million that is $411 thousand more than anticipated.

Expenditures were budgeted for a total of $20.3 million. The actual expenditures were $3.1 million less than budget because of some expenditure delays in capital items.

The net effect of revenues received, expenditures made and transfers to and from other governmental funds was an increase in fund balance of $581 thousand. Total fund balance available for next year is approximately $5.3 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village's capital assets for its governmental and business-type activities as of May 31, 2019 decreased by $281 thousand to $66.4 million (net of accumulated depreciation). Capital assets include land, buildings and improvements, machinery and equipment, park facilities, roads, streets, bridges and intangible assets.

Capital Assets, Net of Depreciation (in thousands)

	2019	2018
Land	$ 6,417	$ 6,417
Buildings	12,800	12,872
Improvements	484	425
Vehicles and equipment	4,209	4,425
Pavement of roadway	22,301	22,610
Water and Sewer system infrastucture	20,208	19,950
Total	$ 66,419	$ 66,700

For government-wide financial statement presentation, all depreciable capital assets were depreciated from the acquisition date to the end of the current fiscal year. Governmental fund financial statements record capital asset purchases as expenditures.

The Village reviews annual improvement projects and needs and develops a plan to repair and or replace equipment and facilities. The Village has various capital projects of approximately $10 million in the next fiscal year.

Debt Administration

Debt includes all bonds, installment purchase loans, and bond anticipation notes. The Village has paid $3.4 million in principal and $1.4 million in interest on all outstanding debt. Below is a summary for the debt:

Outstanding Long-Term Debt (in thousands)

	2019	2018
General obligation bonds:		
Bonds issued 01-01-2019	$ 39,592	-
Bonds issued 01-01-2019	9,608	-
Bonds issued 01-01-2019	6,780	-
Bonds issued 08-01-2016	22,670	-
Bonds issued 10-04-2017	630	738
Bonds issued 08-17-2017	-	48
Bonds issued 10-06-2016	1,795	1,975
Bonds issued 09-28-2014	725	815
Bonds issued 02-28-2013	5,040	5,375
Bonds issued 06-21-2012	1,205	1,290
Bonds issued 06-19-2010	5,600	5,820
Bonds issued 11-06-2008	-	40
Bonds issued 03-03-2005	9,190	9,745
Bonds issued 07-25-2002	535	565
	$ 103,370	26,411
Installment purchase contracts:		
Contract dated 12-04-2008	613	721
	613	721
Bond Anticipation Notes		
BAN dated 02-21-2019	850	-
BAN dated 02-25-2016	-	950
BAN dated 10-03-2018	10,473	-
BAN dated 10-08-2017	-	7,359
BAN EFC JC-03-06	1,788	-
BAN EFC JC-05 SD	-	282
BAN EFC JC-04 SD	-	37,708
BAN EFC JC-04 LL	-	23,350
BAN EFC JC-03	3,286	3,983
	16,397	73,631
	$ 120,380	$100,763

At the end of the year, the Village had long-term and commercial paper debt outstanding of $120.4 million. Of the total amount, $8.2 million is general obligation bonds backed by the full faith and credit of the Village $95.2 million is bonds due to New York State's Environmental Facilities Corporation (EFC) for the joint sewage treatment plant and $613 thousand is an installment loan, secured solely by purchased assets. Bond anticipation notes of $16.4 million include amounts due to EFC of $5 million.

The Village's constitutional debt limit imposes a limit on the amount of general obligation bonds the Village can have outstanding at any given time. That limit is seven percent of the five-year average full assessed value of property in the Village – approximately $657 million in value as of the close of the year. As of May 31, 2019, the Village had $11.2 million in authorized, outstanding property tax-supported general obligation bonds at par, which is equal to approximately 24.3 percent of the debt limit.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village is located at the center of the Triple Cities of the Southern Tier of New York. Binghamton is two miles to the east, and Endicott, the third of the Triple Cities is six miles to the West. Johnson City, at 4 1/2 square miles in area, is situated halfway between New York City & Buffalo, seventy miles south of Syracuse and sixty miles north of Scranton, PA. I-86 runs east-west through the Village.

Johnson City is served by 5 major parks, and 5 smaller parks and playgrounds. Considering the size of the Village, these parks are accessible to all. Softball, basketball, and tennis are popular activities among the residents, and the major parks have facilities for these. Two swimming/wading pools exist that are aimed at providing entertainment for pre-adolescent children. The Recreation Department, in conjunction with the school district, coordinates an extensive summer-winter recreation program. The Village has an independent senior citizens center with a current enrollment of some 1200 persons. Activities range from card games to vacation trips that are organized through the center.

The Village is the proud home to the “Crown Jewel” of Broome County's unique collection of six wooden carousels donated by the George F. Johnson family in the 1920′s. One of the largest remaining carousels in the country, it contains 4 rows of 72 horses. In 1993 the horses, scenic panels & rounding boards were completely restored returning them to their original beauty. In 2010 the eighteen-sided, two story pavilion and cupola housing the carousel was restored. Located in CJF Park, the carousel has been run free of charge since its installation. This is another powerful legacy of the Johnson family.

Construction of the George Korutz Justice Building, a state-of-the-art Police Station and Court Facility Building was completed in late 2002. The redevelopment of the Goodwill Theater and the establishment of an Arts Center will bolster the revitalization of the central business district. The redevelopment of the Endicott-Johnson factory sites will provide great hope and expectations for many years.

The Village is proud to be the future home of the Binghamton University School of Pharmacy and Pharmaceutical Sciences which is scheduled to open in 2020 and the Decker School of Nursing.

Demographics:

- Population of the Village is approximately 14.3 thousand
- Average area unemployment rate in 2018 is 4.9% this percent is slightly above the state average of 4.1%. However, the rate is down 0.7% percent from the prior year.
- Median home values are $80 thousand, approximately the same as the prior year.
- Median household income is $70.9 thousand

The Mayor and Village Trustees approved a budget of $22 million which includes departmental expenditure reductions, deferral of projected increased funding for capital and other needs, improved revenue forecasts, the use of a projected fund balance available from the prior year, and other actions.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Below is an address for questions about this report or requests for additional financial information.

Treasurer
Village of Johnson City
243 Main Street
Johnson City, New York 13790

Basic Financial Statements

VILLAGE OF JOHNSON CITY
STATEMENT OF NET POSITION
MAY 31, 2019

ASSETS	
Current assets:	
Cash & cash equivalents	$ 10,792,017
Receivables (net, where applicable, of allowance for uncollectables)	
Accounts	1,577,308
Other governments	59,681
Total current assets	12,429,006
Noncurrent assets:	
Investment in joint venture	118,219,044
Capital assets:	
Land	6,417,284
Buildings	21,285,486
Improvements other than buildings	871,497
Machinery and equipment	8,180,400
Infrastructure	68,507,170
Less accumulated depreciation	(38,842,670)
Total noncurrent assets	184,638,211
Total Assets	197,067,217
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	1,887,302
Deferred inflows related to employee benefits	2,390,537
Total deferred outflows of resources	$ 4,277,839

See Independent Auditors' Report
See Accompanying Notes to the Financial Statements

LIABILITIES AND DEFERRED INFLOWS	
Current liabilities:	
Accounts payable	$ 7,691
Accrued payroll	96,711
Interest payable	804,096
Bond anticipation note payable	16,396,884
Current portion of long-term debt	3,923,510
Current portion of installment purchase debt	112,935
Current portion of compensated absences	362,394
Total current liabilities	21,704,221
Long-term liabilities, net of current portion	
Bonds payable	99,446,473
Installment purchase debt	499,738
Compensated absences	845,590
Other post employment benefits	73,764,254
Net pension liability	3,132,980
Total long-term liabilities	177,689,035
Total Liabilities	199,393,256
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	1,440,628
Deferred inflows related to employee benefits	18,652,066
Total deferred inflows of resources	20,092,694
NET POSITION	
Investment in capital assets, net of related debt	64,258,671
Restricted for:	
Capital	2,091
Other restrictions	24,425
Unrestricted (deficit)	(82,426,081)
Total Net Position	$ (18,140,894)

VILLAGE OF JOHNSON CITY
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED MAY 31, 2019

		Program Revenues		Net (Expense) Revenue
	Expenses	Charges for Services	Operating Grants	and Changes in Net Position
FUNCTIONS/PROGRAMS				
EXPENDITURES				
General government support	$ 2,129,220	$ 159,239	$ -	$ (1,969,981)
Public safety	10,524,348	369,296	-	(10,155,052)
Transportation	1,524,046	52,600	-	(1,471,446)
Culture & recreation	94,142	5,323	-	(88,819)
Home & community service	336,563	-	-	(336,563)
Interest on long-term debt	1,846,434	-	-	(1,846,434)
Water	2,226,789	2,936,463	-	709,674
Sewer	1,216,751	2,842,322	1,530,797	3,156,368
Refuse	1,214,596	1,995,677	-	781,081
	$ 21,112,889	$ 8,360,920	$ 1,530,797	$ (11,221,172)

GENERAL REVENUES	
Taxes:	
Real property taxes & tax items	$ 10,831,213
Nonproperty taxes	4,347,057
Use of money and property	79,720
Sale of property and compensation for loss	82,310
Miscellaneous	74,803
State government sources	478,104
Capital grants from Federal and State	6,413,327
Change of equity interest in joint venture	6,895,569
Total General Revenues	$ 29,202,103
Change in Net Position	$ 17,980,931
Total Net Position - Beginning of year	6,996,282
Other changes in net position	(43,118,107)
Total Net Position - End of year	$ (18,140,894)

VILLAGE OF JOHNSON CITY
BALANCE SHEET – GOVERNMENTAL FUNDS
MAY 31, 2019

	General	Capital Projects	Debt Service	Special Revenues	Total Governmental Funds
ASSETS					
Cash & cash equivalents					
Unrestricted	$ 1,950,186	$ 1,268,998	$ 10	$ 7,546,307	$ 10,765,501
Restricted	26,516	-	-	-	26,516
Receivables				-	
Due from other governments	59,681	-	-	-	59,681
Other Receivables	135,185	-	-	1,442,123	1,577,308
Due from other funds	3,171,510	-	-	71,892	3,243,402
Total	5,343,078	1,268,998	10	9,060,322	15,672,408
LIABILITIES AND DEFERRED INFLOWS					
Payables					
Accounts payable	7,691	-	-	-	7,691
Due to other funds	-	166,712	-	3,076,690	3,243,402
Bond anticipation note payable	-	16,396,884	-	-	16,396,884
Total Liabilities	7,691	16,563,596	-	3,076,690	19,647,977
FUND BALANCES					
Restriced	26,516	-	-	-	26,516
Assigned	-	-	10	5,983,632	5,983,642
Unassigned	5,308,871	(15,294,598)	-	-	(9,985,727)
Total Fund Balances	5,335,387	(15,294,598)	10	5,983,632	(3,975,569)
Total	$ 5,343,078	$ 1,268,998	$ 10	$ 9,060,322	$ 15,672,408

See Independent Auditors' Report
See Accompanying Notes to the Financial Statements

VILLAGE OF JOHNSON CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MAY 31, 2019

	General	Capital Projects	Debt Service	Special Revenues	Total Governmental Funds
REVENUES					
Real property taxes	$ 10,831,213	$ -	$ -	$ -	$ 10,831,213
Nonproperty tax items	4,288,347	-	-	-	4,288,347
General governmental fees income	153,952	-	-	-	153,952
Departmental income	-	-	-	7,488,364	7,488,364
Intergovernmental charges	170,000	-	-	1,816,895	1,986,895
Use of money and property	72,096	1,559	10	6,055	79,720
Licenses and permits	80,595	-	-	-	80,595
Fines and forfeitures	181,911	-	-	-	181,911
Sale of property & compensation for loss	77,100	-	-	5,210	82,310
Miscellaneous	332,624	-	-	40,803	373,427
State sources	777,869	5,650,000	-	-	6,427,869
Federal sources	-	552,272	-	-	552,272
	16,965,707	6,203,831	10	9,357,327	32,526,875
EXPENDITURES					
General government support	1,579,464	-	-	-	1,579,464
Public Safety - Law enforcement	3,969,147	-	-	-	3,969,147
Public Safety - Fire protection	2,886,343	-	-	-	2,886,343
Public Safety - Other services	241,826	-	-	-	241,826
Transportation	860,850	-	-	-	860,850
Culture & recreation	243,441	-	-	-	243,441
Home & community service	17,423	-	-	2,585,389	2,602,812
Employee benefits	6,197,220	-	-	1,139,440	7,336,660
Debt Service				-	
Principal	48,000	-	2,346,203	85,000	2,479,203
Interest	780	590,893	812,703	9,279	1,413,655
Capital outlay	1,128,754	25,413,098	-	1,370,082	27,911,934
	17,173,248	26,003,991	3,158,906	5,189,190	51,525,335
Excess (Deficiency) of Revenues Over Expenditures	(207,541)	(19,800,160)	(3,158,896)	4,168,137	(18,998,460)
OTHER FINANCING SOURCES AND USES					
Proceeds from debt	-	79,301,433	-	-	79,301,433
Operating transfers in	2,547,602	-	3,158,906	1,069,054	6,775,562
Operating transfers (out)	(1,759,469)	(2,128,380)	-	(2,887,713)	(6,775,562)
Total Other Sources (Uses)	788,133	77,173,053	3,158,906	(1,818,659)	79,301,433
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other (Uses)	580,592	57,372,893	10	2,349,478	60,302,973
Fund Balances - Beginning of year	4,754,795	(72,667,491)	-	3,634,154	(64,278,542)
Fund Balances - End of year	$ 5,335,387	$ (15,294,598)	$ 10	$ 5,983,632	$ (3,975,569)

See Independent Auditors' Report
See Accompanying Notes to the Financial Statements

VILLAGE OF JOHNSON CITY
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
MAY 31, 2019

Amounts reported for governmental activities in the statement of net position are different due to the following:

Total fund balances of governmental funds	$	(3,975,569)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown as assets in the statement of net position and depreciation is allocated over their useful lives.		
Net capital assets recorded in statement of net position		66,419,168
Equity interest in joint ventures with other governments are not considered current financial resources and, therefore, are not reported in funds.		
This is the investment in a Joint Sewage Treatment Plant		118,219,044
Other Post Employment Benefits are paid over several years, and are not due and payable for current year expenditures, and therefore are not reported in the funds.		
Other Post Employment Benefits		(73,764,254)
Deferred outflows		2,390,537
Deferred inflows		(18,652,066)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds:		
Serial bonds		(103,369,983)
Intallment purchase obligation		(612,673)
Accrued Interest on long-term debt		(804,096)
Proportionate share of long-term asset and liability associated with participation in state retirement systems are not current fiancial resources or obligations and are not reported in governmental funds:		
Net pension liability		(3,132,980)
Deferred outflows		1,887,302
Deferred inflows		(1,440,628)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Compensated absences		(1,207,985)
Accrued wages		(96,711)
Net Position of governmental activities	$	(18,140,894)

See Independent Auditors' Report
See Accompanying Notes to the Financial Statements

VILLAGE OF JOHNSON CITY
RECONCILIATION OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
MAY 31, 2019

Net changes in fund balance for total Governmental Funds	$	60,302,973
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown as assets in the statement of net position and then expensed over their useful lives as depreciation expenses in the statement of activities.		
Capital outlays		27,891,597
Depreciation expense		(2,934,533)
Changes in Investment in a Joint Venture with another govermnment reported in the statement of activities does not provide for or require the use of current financial resources and therefore is not reported as revenues or expenditures in the government funds.		
Net activity from joint venture		6,895,569
Changes in proportionate share of net pension asset/liability reported in the statement of activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the government funds.		
Police & Fireman's retirement system		(393,808)
Employees' retirement system		(66,128)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Repayment of bond principal		2,370,695
Repayment of installment purchase debt		108,508
Proceeds from debt		(79,329,678)
Certain expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change in Compensated Absences		36,868
Change in Other Post Employment Benefits Payable		3,256,987
Change in accrued interest expense		(432,779)
Change in accrued wage expenses		274,660
Change in Net Position - Governmental Activities	$	17,980,931

See Independent Auditors' Report
See Accompanying Notes to the Financial Statements

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VILLAGE OF JOHNSON CITY
STATEMENT OF FIDUCIARY NET POSITION
MAY 31, 2019

	Agency
ASSETS	
Cash	$ 260,877
Total Assets	260,877
LIABILITIES	
Other payroll related liabilities	260,877
Total Liabilities	$ 260,877

See Independent Auditors' Report
See Accompanying Notes to the Financial Statements

(1) THE FINANCIAL REPORTING ENTITY

Johnson City is a Village incorporated in 1892 and as such is governed by New York State village and municipal law. The Board of Trustees Village is the legislative body responsible for the overall operations which includes a mayor and four trustees. As required by generally accepted accounting principles, the accompanying financial statements present the Village of Johnson City (the Village or primary government) and its funds.

As a government agency, the Village is exempt from both federal income taxes and New York State franchise taxes.

Joint Venture
A legal entity or other organization that was the result of a contractual agreement between two or more governments. The joint venture is typically owned, operated, and (or) governed by two or more participants. It has a separate and specific activity that benefits more than one government. The participants retain an ongoing financial interest that entitles the participant to the joint venture's financial resources and obligates them contribute for operating and capital costs. A description of the joint venture and the criteria for inclusion and their relationship with the Village is as follows:

(a) **Binghamton-Johnson City Joint Sewage Treatment Plant** (the Sewage Treatment Plant) was established in 1965 by the Village and the City of Binghamton whereby the parties agrees to jointly own and operate a sewage treatment plant and related facilities located in the Town of Vestal, New York. A six member board, which is appointed by the mayors of the respective municipalities, administers the operations of the facility. The equity interest in the joint venture has been reflected in the Statement of Net Position.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

(b) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Agency funds, however, report only assets and liabilities and cannot be said to have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental Funds
Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenues are considered to be available if they are generally collected within 90 days of the end of the current fiscal period. It is the Village's policy to submit reimbursement and claim requests for federal and state grant revenues within 30 days of the end of the program cycle and payment is generally received within the first or second quarter of the following fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to vacation, sick leave, claims and judgments, are recorded only when payment is due.

Property taxes, other local taxes, grants and subventions, licenses, and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the Village receives cash.

The Village reports the following major governmental funds:

- **General Fund**: This is the Village's primary operating fund. It accounts for all financial transactions that are not required to be accounted for in another fund.

- **Special Revenue Funds:** These funds account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted for specified purposes. The major special revenue fund is the Special Grant Fund, which accounts for grants.

- **Capital Projects Funds:** These funds are used to account for the financial resources used for acquisition, construction, or major repair of capital facilities, other than those financed by proprietary funds and equipment purchases financed in whole or in part from the proceeds of obligations. An individual capital projects fund should be established for each authorized project.

- **Debt Service Fund:** This fund accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of governmental activities.

The Village combines the following special revenue governmental funds for the basic financial statement:

- **Water Fund:** Accounts for revenues derived from charges for water consumption and the application of such revenues toward related operating expenses and debt retirement**.**

- **Sewer Fund**: Accounts for revenues derived from charges for sewer usage and benefited assessments, and the application of such revenues toward related operating expenses and debt retirement**.**

- **Refuse Fund**: Accounts for revenues derived from charges for garbage, refuse, and recycling consumption and the application of such revenues toward related operating expenses and debt retirement**.**

The Village reports the following additional fund type:

- **Fiduciary Funds**: These funds account for assets held by the Village in a trustee capacity or as an agent. The agency funds are custodial in nature and do not involve measurement of results of operations.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Village has elected not to follow subsequent private-sector guidance.

In general, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are charges to other Village departments from the General, Water, Sewer and Refuse Funds. These charges have not been eliminated because elimination would distort the direct costs and program revenues reported in the statement of activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund’s principal ongoing operations. The principal operating revenues of the Village’s proprietary funds are charges for customer services for water and sewer services. Operating expenses for proprietary funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village’s policy to use unrestricted resources first, then restricted resources as they are needed.

(c) <u>Budgetary Data</u>

The Village adopts annual budgets for all governmental funds on a substantially modified accrual basis of accounting except for capital project funds and debt service funds, which substantially adopt project length budgets.

The budget of the Village is a detailed operating plan, which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, projects, services, and activities to be provided during the year, (2) the estimated resources (inflows) available for appropriation, and (3) the estimated charges to appropriations. The budget represents a process through which policy decisions are deliberated, implemented, and controlled. The Village Charter prohibits expending funds for which there is no legal appropriation.

The Village’s general budgetary procedures detail the budget timeline. A summary of the key budgetary steps are summarized as follows:

No later than October 1, the budget officer submits a tentative budget to the common council for the fiscal year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing for all funds of the Village. After public hearings are conducted to obtain taxpayer comments, the common council adopts the Village budget. The common council must approve all budget revisions that alter appropriations of any department or fund. Unencumbered budgetary appropriations lapse at the close of each year. Budgets for the special grant fund are prepared based on project time frames rather than on an annual basis. Budgetary controls are established for the capital projects fund through resolutions authorizing individual projects that remain in effect for the life of the project.

(d) Deposits and Investments

The Village considers all highly-liquid debt instruments with original maturities of three months or less to be cash equivalents.

State statutes require that collateral be pledged for demand deposits, time deposits, and certificates of deposit at 100% of all deposits not covered by federal depository insurance. Obligations that may be pledged as collateral are obligations of the United States Treasury and its agencies, obligations of the state and its municipalities, Village debt, irrevocable letters of credit, and surety bonds issued by the state-authorized insurance companies.

(e) Restricted Assets

Certain assets are classified as restricted assets because their use is completely restricted according to the capital project, bond instrument, grant agreement, or other legal document. These funds are offset by a “restriction of fund balance” in the fund financial statements to indicate that they are not available for appropriation.

(f) Property Taxes

Property taxes are levied annually, no later than May 31, and become a tax lien on January 1. Collection of real property taxes starts June 1 and continues until November 1. Unpaid taxes are subsequently enforced by Broome County, in which the Village is located.

(g) Deferred Revenue

Deferred revenue on the general fund balance sheet represents deferred inflow of resources from net taxes receivable, less the amount collected within the first sixty (60) days of the subsequent year.

(h) Other Receivables

Other receivables in the special revenue fund consist of residential and industrial water and sewer charges receivable. Residential water and sewer charges are levied quarterly. Industrial charges are levied monthly.

(i) Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

(j) Inventory

Inventory recorded in the proprietary funds, if any, primarily consist of construction materials and maintenance supplies. Generally, proprietary funds value inventory at cost or average cost and expense supply inventory as it is consumed. This is referred to as the consumption method of inventory accounting. Inventory in the governmental funds consist of reuseable street decorations. The governmental fund types use the purchase method to account for other supply inventories, which are not material. This method records items as expenditures when they are acquired.

(k) Capital Assets

Capital assets, which include land, facilities and improvements, machinery and equipment, infrastructure assets, and intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year – see the chart below. Intangible assets have a capitalization threshold of $50,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. Capital outlay is recorded as expenditures of the General Fund and other governmental funds and as assets in the government-wide financial statements to the extent the Village's capitalization threshold is met. Interest incurred during the construction phase of the capital assets of business-type activities is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds of tax-exempt debt over the same period. Amortization of assets acquired under capital leases is included in depreciation and amortization. Facilities and improvements, infrastructure, machinery and equipment, easements, and intangible assets of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives: Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years.

General fixed assets are carried at estimated historical cost. The value of these assets, including any donated assets, are measured at the most recent cash or cash equivalent price of the asset as established by an independent appraiser, Industrial Appraisal Company, Inc. The most recent appraisal date was November 21, 2013. Maintenance, repairs, and renewals that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Any costs related to the asset that are incurred after the appraisal date such as additions, improvements, or replacements are added to the value of fixed assets if they provide future service potential; otherwise, they are expended in the period of occurrence. Proceeds from dispositions of property are included in income.

General infrastructure assets acquired prior to June 1, 1989, consist of the road network and water and sewer system assets that were acquired or that received substantial improvements subsequent to July 1, 1989, and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Infrastructure………………	$ 20,000	Straight - Line	30
Buildings……………………	15,000	Straight - Line	50
Improvements……………...	15,000	Straight - Line	25
Vehicles…………………….	10,000	Straight - Line	6
Furniture and equipment…	5,000	Straight - Line	12
Computer equipment……..	5,000	Straight - Line	5
Intangible assets…………..	50,000	Straight - Line	Varies with type

(l) Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has three items that qualify for reporting in this category. First is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pensions reported in the Village-wide Statement of Net Position. This represents the effect of the net change in the Village's proportion of the collective net pension asset or liability and difference during the measurement period between the Village's contributions and its proportion share of total contributions to the pension systems not included in pension expense. Lastly is the Village contribution to the pension systems (PFRS and ERS Systems) subsequent to the measurement date.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has three items that qualify for reporting in this category. First arises only under a modified accrual basis of accounting and is reported as unavailable revenue – property taxes. The second item is related to pensions reported in the Village-wide Statement of Net Position. This represents the effect of the net change in the Village's proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the Village's contributions and its proportion share of total contributions to the pension systems not included in pension expense.

(m) Accrued Vacation and Sick Leave Pay

Vacation pay, which may be accumulated up to one hundred twenty hours depending on an employee's length of service, is payable upon termination. Sick leave may be accumulated up to approximately six months. However, sick leave is forfeited if an employee leaves the Village prior to retirement. Employees are granted up to three (3) days personal leave each year depending on their contracts, coverage, and hiring date. Unused vested amounts are payable upon termination of employment by retirement or disability caused by industrial accident or death.

The Village accrues for all salary-related items in the government-wide and proprietary fund financial statements for which they are liable to make a payment directly and incrementally associated with payments made for compensated absences on termination.

(n) Bond Issuance Costs, Premiums, and Discounts

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources.

Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

(o) Fund Equity

Governmental Fund Balance

As prescribed by Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, governmental funds report fund balance in one of five classifications that comprise a hierarchy based primarily on the extent to which the Village is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. The five fund balance classifications are as follows:

- *Nonspendable* – includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The not in spendable form criterion includes items that are not expected to be converted to cash, such as prepaid amounts, as well as certain long-term receivables that would otherwise be classified as unassigned.
- *Restricted* – includes amounts that can only be used for specific purposes due to constraints imposed by external resource providers, by the Village's Charter, or by enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- *Committed* – includes amounts that can only be used for specific purposes pursuant to a formal action of the Village's highest level of decision-making authority, legislation passed by the Board of Supervisors and signed by the Mayor. Commitments may be changed or lifted only by the Village taking the same formal action that imposed the constraint originally.
- *Assigned* – includes amounts that are not classified as nonspendable, restricted, or committed, but are intended to be used by the Village for specific purposes. Intent is expressed by legislation or by action of a body or official to which legislation has delegated the authority to assign amounts to be used for specific purposes.
- Unassigned – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. Other governmental funds may only report a negative unassigned balance that was created after classification in one of the other four fund balance categories.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

Fund balances for all the governmental funds as of May 31, 2019, were distributed as follows:

				Special Revenue Funds			Total
	General	Capital Projects	Debt Service	Water	Sewer	Refuse	Total Governmental Funds
Nonspendable							
Encumbrances	$ 3,145	$ -	$ -	$ -	$ -	$ -	$ 3,145
	3,145	-	-	-	-	-	3,145
Restriced							
Capital	2,091	-	-	-	-	-	2,091
Other	24,425	-	-	-	-	-	24,425
	26,516	-	-	-	-	-	26,516
Assigned							
Appropriations	-	-	10	1,371,068	3,113,023	1,499,541	5,983,642
Unappropriated	-	(15,294,598)	-	-	-	-	(15,294,598)
	-	(15,294,598)	10	1,371,068	3,113,023	1,499,541	(9,310,956)
Unassigned	5,305,726	-	-	-	-	-	5,305,726
Total Fund Balances	$ 5,335,387	$ (15,294,598)	$ 10	$ 1,371,068	$ 3,113,023	$ 1,499,541	$ (3,975,569)

(p) Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(q) Reclassifications

Certain amounts presented as 2018 Summarized Comparative Financial Information in the basic financial statements have been reclassified for comparative purposes to conform to the presentation in the 2019 basic financial statements.

(r) Effects of New Pronouncements

The Village has adopted all the current Statements of the Governmental Accounting Standards Board (GASB) that are applicable for the current year.

- GASB Statement No. 75, Other Post-Employment Benefits

Future Changes in Accounting Standards

- GASB Statement No. 83, Certain Asset Retirement Obligations
- GASB Statement No. 88, Certain Disclosures Related to Debt, Including Direct Borrowing and Direct Placements
- GASB has issued Statement No. 84, Fiduciary Activities
- GASB has issued Statement No. 87, Leases
- GASB has issued Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period
- GASB has issued Statement No. 91, Conduit Debt Obligations

The Village will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

(3) CASH DEPOSITS

The Village considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

At year end the carrying value of the Village's deposits with banks was $10,792,017. All of the bank balance was covered by Federal Depository insurance or collateralized in accordance with New York State law. Under that law, banks holding public deposits in excess of amounts insured by FDIC must pledge collateral equal to 100% of such limit. Obligations that may be pledged as collateral are obligations of the United States Treasury and its agencies, obligations of the state and its municipalities, school Village debt, irrevocable letters of credit, and surety bonds issued by the state authorized insurance companies. Collateral is held in the pledging bank's trust department or agent in the Village's name.

(4) CAPITAL ASSETS

Capital asset activity for the Village for the year ended May 31, 2019, was as follows:

	Beginning Balance	Additions	Retirements / Reclassifications	Ending Balance
Capital assets that are not depreciated:				
Land	$ 6,417,284	-	-	$ 6,417,284
Capital assets that are depreciated:				
Buildings	20,909,364	376,122	-	21,285,486
Improvements	760,582	93,427	-	854,009
Vehicles and equipment	7,651,462	546,426	-	8,197,888
Pavement of roadway	33,571,625	536,016	-	34,107,641
Water and Sewer system infrastructure	33,297,681	1,101,849	-	34,399,530
	96,190,714	2,653,840	-	98,844,554
Less accumulated depreciation:				
Buildings	8,037,609	448,317	-	8,485,926
Improvements	335,305	34,432	-	369,737
Vehicles and equipment	3,226,134	762,990	-	3,989,124
Pavement of roadway	10,961,327	844,874	-	11,806,201
Water and Sewer system infrastructure	13,347,762	843,920	-	14,191,682
	35,908,137	2,934,533	-	38,842,670
Capital assets, net	$ 66,699,861			$ 66,419,168

Depreciation expense is allocated as follows:	
General government support	$ 241,219
Public safety	723,658
Transportation	402,032
Culture and recreation	80,406
Water fund	154,767
Sewer fund	552,018
Refuse fund	780,433
	$ 2,934,533

General fixed assets are carried at estimated historical cost. The value of these assets, including any donated assets, are measured at the most recent cash or cash equivalent price of the asset as established by an independent appraiser, Industrial Appraisal Company, Inc. The most recent appraisal date was November 21, 2013. Maintenance, repairs, and renewals that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Any costs related to the asset that are incurred after the appraisal date such as additions, improvements, or replacements are added to the value of the asset if they provide future service potential; otherwise, they are expended in the period of occurrence. Proceeds from dispositions of property are included in income.

(5) PENSION PLAN OBLIGATIONS

Plan Description

The Village participates in the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS) which are collectively referred to as New York State and Local Retirement System (the System). These are cost-sharing multiple-employer defined benefit retirement systems. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November, 2014, he was elected for a new term commencing January 1, 2015. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Village also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at **www.osc.state.ny.us/retire/publications/index.php** or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

Funding Policy

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS) who generally contribute 3.0 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. Generally, Tier V and VI members are required to contribute for all years of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31.

Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

Contributions	ERS	PFRS
2019	$ 408,627	$ 1,052,776
2018	411,991	1,176,459
2017	574,763	1,541,757

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

At May 31, 2019, the Village reported the following asset/(liability) for its proportionate share of the net pension asset /(liability) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2018 for ERS and PFRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The Village's proportion of the net pension asset/(liability) was based on a projection of the Village's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and PFRS Systems in reports provided to the Village.

	ERS	PFRS
Actuarial valuation date.................	4/1/2018	4/1/2018
Net pension liability (asset)...........	$ 727,007	$ 2,405,973
Village's portion of the Plan's total net pension liability (asset)..........	0.0102608%	0.1434635%

For the year ended May 31, 2019, the Village's recognized pension expense of $408,627 for ERS and the actuarial value $1,052,776 for PFRS. At May 31, 2019 the Village's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	PFRS	ERS	PFRS
Differences between expected and actual experience................................	$ 143,163	$ 584,477	$ 48,803	$ 256,877
Changes of assumptions................................	182,740	874,154	-	-
Net difference between projected and actual earnings on pension plan investments............	-	-	186,590	481,858
Changes in proportion and differences between the Village's contributions and proportionate share of contributions...............	21,345	75,267	16,498	450,002
Village's contributions subsequent to the measurement date................................	-	-	-	-
	$ 347,248	$ 1,533,898	$ 251,891	$ 1,188,737

Village contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended May 31, 2019 Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ending:	ERS	PFRS
March 31, 2019	$ 157,638	$ 342,710
March 30, 2020	(142,018)	(199,067)
March 30, 2021	(16,332)	(63,096)
March 30, 2022	96,069	226,704
March 30, 2023	-	37,910
Thereafter	-	-

Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Significant actuarial assumptions used in the valuations were as follows:

	ERS	PFRS
Measurement date	3/31/2019	3/31/2019
Actuarial valuation date	4/1/2018	6/30/2017
Discount rate	7.0%	7.0%
Inflation rate	2.5%	2.5%
Salary increases	4.2%	5.0%
Investment rate of return (net of investment expense, including inflation)	7.0%	7.0%
Cost-of-living adjustments	1.3%	1.3%

Annuitant mortality rates are based on April 1, 2010 – March 31, 2015 System's experience with adjustments for mortality improvements based on MP-2018. The actuarial assumptions used in the April 1, 2015 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

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

Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

Asset Class	Target Allocation	Long-term expected real rate of return
Domestic equities	36.0%	4.55%
International equities	14.0%	6.35%
Private equity	10.0%	7.50%
Real estate	10.0%	5.55%
Absolute return strategies	2.0%	3.75%
Opportunistic portfolio	3.0%	5.68%
Real assets	3.0%	5.29%
Bonds and mortgages	17.0%	1.31%
Cash	1.0%	-0.25%
Inflation-indexed bonds	4.0%	1.25%
	100.0%	

Discount Rate

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

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate assumption

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

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
ERS net pension liability (asset)......................	$ 3,178,590	$ 727,007	$ (1,332,497)
PFRS net pension liability (asset)....................	$ 8,694,827	$ 2,405,973	$ (2,845,950)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability/(asset) of the employers as of the respective valuation dates, were as follows:

	(Dollars in Thousands)		
	ERS	PFRS	Total
Employers' total pension liability................	$ 189,803,429	$ 34,128,100	$ 223,931,529
Fiduciary net position..............................	182,718,124	32,451,037	215,169,161
Employers' net pension liability.................	$ 7,085,305	$ 1,677,063	$ 8,762,368
Ratio of fiduciary net position to the employers' total pension liability............	96.27%	95.09%	96.09%

(6) POST-EMPLOYMENT BENEFITS

The Village provides medical benefits to retired employees and their eligible dependents. The benefits provided to employees upon retirement are based on provisions in various contracts that the village has in place with different classifications of employees.

Plan Description

The Village maintains a single-employer defined benefit plan, funded by a health insurance policy that provides health care benefits to employees, retired employees, and surviving spouses. Health care benefits are provided to 124 eligible active employees. Also, 168 retired employees and surviving spouses receive health benefits from the village plan.

Plan Provisions

Police have a total of 89 members, 38 active and 51 retired. Members attain eligibility for lifetime postemployment medical coverage by meeting the requirements of the New York State Police & Fire Retirement System, which includes providing a minimum of twenty (20) years of service with no age minimum. Part-time employees of the Village are ineligible for postemployment benefits. All current retirees and members hired before June 1, 2001 receive 100% coverage from the Village for individual and family coverage. All retirees hired on or after June 1, 2001 are required to contribute 10% ofthe plan premium for individual or family coverage. Surviving spouses are subject to the same contribution policy as retirees as outlined above. Medicare Part B provides a monthly reimbursement of $66.60 to members who were Medicare eligible and retired as of June 17, 2005. All other active or retired members ofthe Village are not eligible to receive this reimbursement.

Department of Public Works has a total of 72 members, 38 active and 34 retired. Members attain eligibility for lifetime postemployment medical coverage by meeting the requirements of the New York State & Local Retirement System, subject to attaining a minimum age of fifty-five (55) and providing a minimum of five (5) years of service. Part-time employees of the Village are ineligible for postemployment benefits. Pre-65 contributions are dependent on the member's retirement date. Members who retired prior to June 1, 2001 receive 100% medical coverage. Members who retire between June 1, 2001—May 31, 2012 are subject to a $50 monthly contribution for coverage, regardless of whether individual or family coverage is selected. Members who retire on or after June 1, 2012 contribute the same dollar amount that they contributed as an active employee in the last year prior to retirement. Upon turning age 65 and becoming eligible for Medicare, the Village will pay 100% of the premium for the Medicare Advantage plan. Surviving spouses are subject to the same contribution policy as retirees. The Village provides a monthly reimbursement of $66.60 to members who were Medicare eligible and retired as of June 17, 2005. All other active or retired members are not eligible to receive this reimbursement.

Management has a total of 6 members, only one active. Eligibility for lifetime postemployment medical coverage is attained by meeting the requirements of the New York State & Local Retirement System, subject to attaining a minimum age of fifty-five (55). All members hired before June 1, 2013 must also provide a minimum of ten (10) years of service to the Village. All members hired on or after June 1, 2013 must provide a minimum of twenty (20) years of service to the Village. Pre-65 retirees are subject to the same contribution policy as active employees. Active employees follow the insurance benefits and plan provisions outlined in its contract with AFSCME (DPW). Upon turning age 65 and becoming eligible for Medicare, the Village will pay 100% of the premium for the Medicare Advantage plan. One current retiree over age 65 is subject to a monthly contribution. Surviving spouses are subject to the same contribution policy as retirees. The Village of Johnson City provides a monthly reimbursement of $66.60 to members who were Medicare eligible and retired as of June 17, 2005. All other active or retired members of-the Village are not eligible to receive this reimbursement.

Support Staff has a total of 26 members, 12 active and 14 retired. Members attain eligibility for lifetime postemployment medical coverage by meeting the requirements of the New York State & Local Retirement System, subject to attaining a minimum age of fifty-five (55) and providing a minimum of five (5) years of service. Part-time employees of the Village are ineligible for postemployment benefits. Members who retire with at least 10 years of service provided to the Village receive 100% medical coverage. All other members must contribute 100% of the premium rate in effect at the-time of retirement. These members may elect to receive 100% coverage for the first 5 years of retirement by using unused sick leave pay to cover the plan premiums. Surviving spouses are subject to the same contribution policy as retirees. The Village provides a monthly reimbursement of $66.60 to members who were Medicare eligible and retired as of June 17, 2005. All other active or retired members of the Village are not eligible to receive this reimbursement.

Court Clerks have a total of 3 members, all are active. Members attain eligibility for lifetime postemployment medical coverage by meeting the requirements of the New York State & Local Retirement System, subject to attaining a minimum age of fifty-five (55). Members must also provide a minimum of twenty (20) years of service to the Village. Future retirees must contribute 15% of the premium for individual or family coverage. Surviving spouses are subject to the same contribution policy as retirees. The Village of Johnson City provides a monthly reimbursement of $66.60 to members who were Medicare eligible and retired as of June 17, 2005. All other active or retired members of the Village are not eligible to receive this reimbursement.

Funding Policy

The contribution requirements of plan members and the village are based on a pay-as-you-go basis. For fiscal year ended May 31, 2019 the Village paid approximately $2.7 million on behalf of its retirees.

Total OPEB Liability

The Village's total OPEB liability of $73,764,254 was measured as of May 31, 2019 and was determined by an actuarial valuation as of June 1, 2018.

Actuarial Assumptions and Other Inputs – The actuarial assumptions used to value the post-retirement medical liabilities can be categorized into three groups: economic assumptions, healthcare assumptions, and demographic assumptions. The total OPEB liability in the May 31, 2019 actuarial valuation applied to all periods included in the measurement.

Economic Assumptions The two economic assumptions used in the valuation are the discount rate and the health care cost trend rates. The economic assumptions are used to account for changes in the cost of benefits over time and to discount future benefit payments for the time value of money.

Inflation	2.40%
Salary increases including wage inflation	3.00%
Discount rate	3.78%

Since the OPEB plan is not funded, the selection of the discount rate is consistent with the GASB 75 standards discounting unfunded liabilities based on a yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

The assumption is consistent with the Social Security administration's current best estimate of the ultimate long-term (75-year horizon) annual percentage increase in CPI, as published in the 2016 OASDI Trustees Report.

Healthcare Assumptions Medical Cost Trends: Medical costs have historically increased more rapidly than the rate of inflation. In estimating future retiree benefits, future increases in medical costs must be taken into consideration. The medical cost trend assumptions are based on the Society of Actuaries' Long-Run Medical Cost Trend Model. The short term (the first four years) trend rates were based on the following:

Rate of inflation………………………………………………………………………………………………… 2.4%
Rate of Growth in Real Income / GDP per capita………………………………………………………… 1.5%
Extra Trend due to Technology and other factors…………………………………………………………1.2%
Health Share of GDP Resistance Point………………………………………….............................. 25.0%

The long-term trend rates are based on econometric analysis of historical US medical expenditures and the judgement of experts in the field. Future increases in rates will be constrained by the proportion of the nation's Gross Domestic Product (GDP) which is represented by the healthcare industry. Therefore, in the long run, the annual rate of increase will have to decrease.

Pre-Medicare…………………………………5.5% for 2019 decreasing to an ultimate rate of 3.84% by 2078
Medicare……………………………………...5.5% for 2019 decreasing to an ultimate rate of 3.84% by 2078

Health care trend rates reflect both the current and long-term outlook for increases in health care costs. The short-term rates are based on recent industry surveys, plan experience and near-term expectations. The long-term trend rate is based on our general inflation assumption plus an adjustment to reflect expectations for long-term medical inflation.

Demographic Assumptions: The mortality rates used in this valuation were developed by the Office of the Actuary of the Police & Firefighters Retirement System (PFRS) and the Office of the Actuary for the New York State Employees Retirement System (ERS), for the valuation of their respective pension liabilities.

Changes in the Total OPEB Liability

The net OPEB liability is reflected in the statements of net position. The following table shows the components of the Village's annual OPEB cost for the year, the amount contributed to the plan, and changes in the Village's net OPEB liability:

OPEB liaibility reported using GASB 45 at Beginning of the year.......	$	50,164,663
Increase in liability using new accounting standard GASB 75..........		43,118,107
Total OPEB Liability at Beginning of the year..	$	93,282,770
Changes for the year:		
Service Cost..		2,506,630
Interest..		3,408,618
Change in Benefit terms..		-
Difference between expected and actual experience....................		(18,138,788)
Changes in assumptions or other inputs...		(4,559,280)
Benefit payments..		(2,735,696)
		(19,518,516)
Balance at the End of the year..	$	73,764,254

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the Village, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	Discount Rate		
	1% Decrease	Baseline Rate 3.8%	1% Increase
Total OPEB Liability	$ 86,790,196	$ 73,764,254	$ 63,582,005

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	Healthcare Cost Trend Rates		
	1% Decrease	Baseline Rate 7.2% Decreasing	1% Increase
Total OPEB Liability	$ 62,681,083	$ 73,764,254	$ 88,150,681

OPEB expense, Deferred Outflows, and Deferred Inflows of resources

For the year ended May 31, 2019, the Village recognized OPEB expense of $1,869,246. At May 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Benefit payments after valuation date..	$ 2,390,537	$ -
Difference between expected and actual experience................	-	14,905,492
Changes of assumption or other inputs......................................	-	3,746,574
	$ 2,390,537	$ 18,652,066

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

		Amount
Year ending June 30,	2020..........	$ (1,655,465)
	2021..........	(4,046,002)
	2022..........	(4,046,002)
	2023..........	(4,046,002)
	2024.........	(2,468,058)
	Thereafter.................	-
		$ (16,261,529)

Prior period adjustment for change in accounting principle

The implementation of GASB 75 required a restatement of beginning net position due to the change in accounting method from GASB 45 used in the prior year to calculate the OPEB liability. The prior period adjustment increased the beginning OPEB liability from $50,164,663 to $93,282,770. This resulted in a net reduction in opening net position of $43,118,107. Comparative data in this report and in the Management Discussion and Analysis has been restated.

(7) Claims, Judgements and Contingent Liabilities

At May 31, 2019, the Village was a defendant to various law suits. In the opinion of the Village's management and the Village attorney, the ultimate effect of these legal matters will not have a material adverse effect on the Village's financial position.

(8) General Obligation Indebtedness

(a) Revenue Anticipation Notes and Tax Anticipation Notes

Also known as "RANs" for governmental funds. They are notes issued in anticipation of the receipt of revenues. They are recorded as a liability of the fund that will receive the proceeds from the issuance of the notes. The revenue and tax anticipation notes represent a liability that will be extinguished by the use of expendable available resources of the fund.

(b) Bond Anticipation Notes

Also called "BANs" they are notes issued in anticipation of proceeds from the subsequent sale of bonds. It is recorded as a current liability of the fund that will actually receive the proceeds from the issuance of the bonds. Such notes may be classified as part of the General Long-Term Debt Account Group when (1) the intention is to refinance the debt on a long-term basis and (2) the intention can be substantiated through a post balance-sheet issuance of long-term debt or by an acceptable financing agreement. State law requires that bond anticipation notes issued for capital purposes be converted to long-term financing within five years after the original issue date. In 2019 the Village borrowed an additional $3,690,020 in bond anticipation notes, and paid $1,010,728 including principal of $676,300 and interest of $334,428 on all outstanding bond anticipation notes. The following is a detail schedule of the bond ancipation notes outstanding:

Description	Maturity	Purpose of issue	Interest Rate		Amount
BAN dated 03/12/12.............	3/1/2019	Flood Recovery	3.000%	$	850,000
BAN dated 10/03/18.............	10/3/2019	Various	4.000%		10,472,770
				$	11,322,770

(c) Bond Anticipation Notes – Loan Advance from New York State Environmental Facilities Corporation

The Village entered into agreements with the New York State Environmental Facilities Corporation (EFC) to receive short-term markert rate financing and short term interest free financing to finance the costs associated with the Binghamton-Johnson City Joint Sewage Treatment Plant. On January 30, 2014 the Village entered into an agreement (Project No C7-6201-03-03) to receive $13,714,748 by January 30, 2021. On September 20, 2018 the Village entered into an agreement (Project No C7-6201-03-06) to for an advance of short term funds on to exceed $20,340,000 by September 20, 2021.

In 2019 the Village was advanced an additional $31,390,126 in this contract type bond anticipation notes, and paid $383,520 including $110,520 of interest. The following is a detail schedule of the EFC loan advance bond ancipation notes outstanding:

Description	Project No.	Interest Rate		Amount
EFC Advance dated 01/30/2014......................	C7-6201-03-03	1.000%	$	3,285,696
EFC Advance dated 09/20/2018......................	C7-6201-03-06	1.000%		1,788,419
			$	5,074,115

(d) Installment Purchase Debt

General Municipal Law allows for governments to enter into installment purchase contracts for equipment, machinery and apparatus. Such contracts are purchase contracts for public bidding purchases and are subject to public bidding requirements. The down payment may not exceed 10% of the full contract price. The amount of the contract is recorded as a long-term obligation. Interest paid by the village for the year amounted to $23,810.

Description	Maturity	Purpose of issue	Interest Rate	Amount
Contract dated 12/04/2008.....	12/4/2023	Energy performance	3.164%	$ 612,673

(e) Serial Bonds

A bond is a written promise to pay a specified sum of money at a specified date or dates in the future, the maturity dates, together with periodic interest at a specified rate. Serial Bonds are those whose principal is repaid in periodic installments over the life of the issue. In 2019 the Village borrowed an additional $79,329,678 in serial bonds all related to the Joint Sewage Treatment Plant, and paid $3,358,086 including principal of $2,370,695 and interest of $944,130 on all outstanding serial bonds.

At May 31, 2019, the total outstanding serial bonds are as follows:

Description	Maturity	Purpose of issue	Interest Rate	Amount
Bonds issued 01-01-2019......	10/1/2031	Sewage plant	1.000%	$ 39,592,379
Bonds issued 01-01-2019......	8/1/2048	Sewage plant	1.976%	9,607,604
Bonds issued 01-01-2019......	12/28/2048	Sewage plant	0.000%	6,780,000
Bonds issued 08-01-2016......	8/1/2048	Sewage plant	1.548%	22,670,000
Bonds issued 10-04-2017......	10/1/2023	Equipment	5.000%	630,000
Bonds issued 10-06-2016......	10/1/2031	Equipment	4.330%	1,795,000
Bonds issued 09-28-2014......	10/1/2034	Equipment	2.500%	725,000
Bonds issued 02-28-2013......	5/15/2031	Justice building	3.657%	5,040,000
Bonds issued 06-21-2012......	6/16/2029	Sewage plant	2.296%	1,205,000
Bonds issued 06-19-2010......	10/1/2039	Sewage plant	2.332%	5,600,000
Bonds issued 03-03-2005......	5/1/2034	Sewage plant	2.779%	9,190,000
Bonds issued 07-25-2002......	10/15/2024	Sewage plant	3.251%	535,000
				$ 103,369,983

(f) Mandatory Sinking Fund Redemption

The bonds maturing on October 1, 2027 are subject to scheduled manditory sinking fund redeption prior to maturity commencing October 1, 2023 and each October 1 thereafter, at a redeption price equal to the principal amount thereof plus accrued interest to the redeption date, without premium in the years and the principal amount of $35,000 each year for five years.

(g) Debt Limit

At May 31, 2019, the total outstanding indebtedness represented approximately 40 percent of its debt limit. The Village is permitted by the New York State Constitution to issue indebtedness up to 7 percent of the most recent five-year average full valuation of taxable real property. Certain indebtedness is excluded for this limit. In the fiscal year, the five-year average full valuation was $663 million allowing the Village to incur debt up to $46 million. Total debt of the Village subject to this limit is $18.5 million.

(h) Changes in Long-term Debt
The changes in the Village's indebtedness during the year are summarized as follows:

Description	Beginning Balance	Additions & Refunding	Payments & Retirements	End of Year Balance	Due within one year
Bond issue:					
EFC Bond issued in 2019	$ -	39,592,379	-	$ 39,592,379	1,055,000
EFC Bond issued in 2019	-	9,607,604	-	9,607,604	305,000
EFC Bond issued in 2019	-	6,780,000	-	6,780,000	180,810
Serial bond issued in 2017	48,000	-	48,000	-	-
EFC Bond issued in 2017	738,000	-	108,000	630,000	110,000
Serial bond issued in 2016	1,975,000	-	180,000	1,795,000	262,700
EFC Bond issued in 2016	-	23,349,695	679,695	22,670,000	680,000
Serial bond issued in 2014	815,000	-	90,000	725,000	90,000
Serial bond issued in 2013	5,375,000	-	335,000	5,040,000	345,000
EFC Bond issued in 2012	1,290,000	-	85,000	1,205,000	85,000
EFC Bond issued in 2011	565,000	-	30,000	535,000	35,000
EFC Bond issued in 2010	5,820,000	-	220,000	5,600,000	220,000
Serial bond issued in 2008	40,000	-	40,000	-	-
EFC Bond issued in 2005	9,745,000	-	555,000	9,190,000	555,000
	26,411,000	79,329,678	2,370,695	103,369,983	3,923,510
Installment purchase contracts:					
Building Environment Lease	721,182	-	108,509	612,673	112,935
	721,182	-	108,509	612,673	112,935
Other Contractual Obligations:					
Compensated absences	1,244,854	519,800	556,670	1,207,984	612,337
Other Post Employment Benefits	93,282,770	5,915,248	25,433,764	73,764,254	3,146,050
	$ 121,659,806	$ 85,764,726	$ 28,469,638	$ 178,954,894	$ 7,794,832

Maturity of Long-term Debt
The following is a summary of maturing debt service requirements:

Serial Bonds:

Maturity in year(s) ending		Bond Payment	Interest	Principal
May 31,	2020	$ 5,500,222	1,649,412	$ 3,850,810
	2021	5,757,976	1,924,073	3,833,903
	2022	5,745,949	1,858,919	3,887,030
	2023	5,632,305	1,792,165	3,840,140
	2024	5,689,298	1,726,028	3,963,270
	2025-29	27,213,378	7,585,268	19,628,110
	2030-34	24,598,164	5,622,134	18,976,030
	2035-39	19,244,479	3,950,509	15,293,970
	2040-44	17,982,383	2,395,493	15,586,890
	2045-49	15,274,302	764,472	14,509,830
		$ 132,638,457	29,268,474	$ 103,369,983

Installment Purchase Debt:

Maturity in year(s) ending		Bond Payment	Interest	Principal
May 31,	2020	$ 137,933	24,997	$ 112,935
	2021	137,933	20,389	117,543
	2022	137,933	15,594	122,339
	2023	137,933	10,602	127,330
	2024	137,933	5,407	132,525
		$ 689,663	76,989	$ 612,673

(9) Interfund Balances and Activity

At May 31, 2019, the Village had the following activity and balances due to and from other funds:

	Receivable	Payable	Transfer in	Transfer out
General Fund	$ 3,171,510	-	$ 2,547,602	1,759,469
Water Fund	-	2,733,417	1,069,054	-
Sewer Fund	71,892	-	-	2,699,979
Refuse Fund	-	343,273	-	187,734
Debt Service Fund	-	-	3,158,906	-
Capital Projects	-	166,712	-	2,128,380
	$ 3,243,402	3,243,402	$ 6,775,562	6,775,562

(10) Related Organizations and Component Units

(a) Joint Venture with The City of Binghamton
The following unaudited financial summary is the activity undertaken jointly with the City of Binghamton (City). Except for their equity interest in the joint venture, this activity is excluded from the financial statements of the participating municipalities. Separate financial statements are issued for this joint venture and may be obtained from the City comptroller's office.

For end of the year and the year ending December 31,	2018
Statement of Net Position	
Current Assets	$ 9,261,335
Capital Assets, net	232,705,242
Deferred outflows of resources	1,612,190
	243,578,767
Current Liabilities	5,897,755
Noncurrent liabilities	219,410,847
Deferred inflows of resources	3,723,210
	229,031,812
Net position	$ 14,546,955
Statements of Revenues, Expenses, and Changes in Net Position	
Operating revenues	$ 26,722,697
Operating expenses	18,938,027
Operating gain (loss)	7,784,670
Non-operating revenue (expense)	7,471,014
Change in net position	15,255,684
Net position begining of year restated	(708,729)
Net position at the end of the year	$ 14,546,955

A sewage project is operated jointly with the City of Binghamton (City), under an agreement originally dated July 14, 1965 and most recently amended March 20, 2017. The agreement is for an indefinite period. A six member board constitutes the governing body; three members of the board are appointed by the City, and three by the Village. Ownership of the project, operational and capital costs are shared by the participants as follows: City - 54.8%; Village - 45.2%. The board of the project has established charges at rates intended to be self-sustaining to cover all operating costs and debt service. In addition to providing services for the City and Village, the project also provides services for several other municipalities; the charges that are established are the same for the other municipalities.

The Village's Investment in Joint Venture is adjusted for intergovernmental debt and earnings. The Village's investment is currently $118,219,044 which is an increase of $30,603,083 primarily from the prior year for additional advances made to the joint venture for construction of the sewage treatment plant.

Schedule of Investment in Joint Venture

		5/31/2019
Beginning of the year….	$	87,615,961
Capital project advances….		25,237,756
Portion of Adjustments related to Johnson City (45.2%)….		(1,530,242)
Portion of Change in Net Position related to Johnson City (45.2%)….		6,895,569
	$	118,219,044

(11) Changes in Net Position

The implementation of GASB 75 required a restatement of beginning net position due to the change in accounting method from GASB 45 used in the prior year to calculate the OPEB liability. The prior period adjustment increased the beginning OPEB liability from $50,164,663 to $93,282,770. This resulted in a net reduction in opening net position of $43,118,107. Comparative data in this report and in the Management Discussion and Analysis has been restated.

(12) Significant Contingencies

The Village is party to numerous legal proceedings, many of which normally occur in governmental operations. Such litigation includes, but is not limited to, claims assessed against the Village for property damage and personal injury, alleged breaches of contract, condemnation proceedings, tax certiorari claims and other alleged violations of state and federal laws.

The Village is reconstructing a retaining wall for a Sewerage Treatment Plant that collapsed during a flood. Construction contractors involved in the project are demanding payment for services, the Village and other municipal entities are suing various parties for damages caused by the wall collapse and the cost of correcting the situation. The costs cannot be reasonably estimated but are expected to be in excess of $20 million dollars which is expected to be financed and/or funded by the State.

The Village receives significant financial assistance from the State and Federal Governments in the form of grants and entitlements, which are generally conditioned upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by state and federal agencies. Any disallowance as a result of these audits could become a liability of the Village. As of May 31, 2019, the Village is unable to estimate what liabilities may result from such audits.

Supplementary Information

VILLAGE OF JOHNSON CITY
SUPPLEMENTARY BALANCE SHEETS
SPECIAL REVENUES OF GOVERNMENTAL FUNDS
MAY 31, 2019

	Water	Sewer	Refuse	Total Special Revenue Funds
ASSETS				
Cash & cash equivalents				
Unrestricted	$ 3,600,727	$ 2,498,378	$ 1,447,202	$ 7,546,307
Receivables				
Other Receivables	503,758	542,753	395,612	1,442,123
Due from other funds	-	71,892	-	71,892
Total	4,104,485	3,113,023	1,842,814	9,060,322
LIABILITIES AND DEFERRED INFLOWS				
Payables				
Due to other funds	2,733,417	-	343,273	3,076,690
Total Liabilities	2,733,417	-	343,273	3,076,690
FUND BALANCES				
Assigned	1,371,068	3,113,023	1,499,541	5,983,632
Total Fund Balances	1,371,068	3,113,023	1,499,541	5,983,632
Total	$ 4,104,485	$ 3,113,023	$ 1,842,814	$ 9,060,322

VILLAGE OF JOHNSON CITY
SUPPLEMENTARY STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE FO SPECIAL REVENUES OF GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MAY 31, 2019

	Water	Sewer	Refuse	Total Special Revenue Funds
REVENUES				
Departmental income	$ 2,650,365	$ 2,842,322	$ 1,995,677	$ 7,488,364
Intergovernmental charges	286,098	1,530,797	-	1,816,895
Use of money and property	2,745	2,059	1,251	6,055
Sale of property & compensation for loss	5,210	-	-	5,210
Miscellaneous	40,803	-	-	40,803
	2,985,221	4,375,178	1,996,928	9,357,327
EXPENDITURES				
Home & community service	1,193,822	560,793	830,774	2,585,389
Employee benefits	466,446	119,891	553,103	1,139,440
Debt Service				
Principal	-	85,000	-	85,000
Interest	-	9,279	-	9,279
Capital outlay	1,370,082	-	-	1,370,082
	3,030,350	774,963	1,383,877	5,189,190
Excess (Deficiency) of Revenues Over Expenditures	(45,129)	3,600,215	613,051	4,168,137
OTHER FINANCING SOURCES AND USES				
Operating transfers in	1,069,054	-	-	1,069,054
Operating transfers (out)	-	(2,699,979)	(187,734)	(2,887,713)
Total Other Sources (Uses)	1,069,054	(2,699,979)	(187,734)	(1,818,659)
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other (Uses)	1,023,925	900,236	425,317	2,349,478
Fund Balances - Beginning of year	347,143	2,212,787	1,074,224	3,634,154
Fund Balances - End of year	$ 1,371,068	$ 3,113,023	$ 1,499,541	$ 5,983,632

Required Supplementary Information

VILLAGE OF JOHNSON CITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED MAY 31, 2019

	Budget			Budget
REVENUES	Original	Revised	Actual	Variance
Local Sources				
Real property taxes	$ 10,695,638	$ 10,695,638	$ 10,831,213	$ 135,575
Nonproperty tax items	4,020,133	4,020,133	4,288,347	268,214
General governmental fees income	193,555	193,555	153,952	(39,603)
Intergovernmental charges	170,000	170,000	170,000	-
Use of money and property	54,447	54,447	72,096	17,649
Licenses and permits	123,079	123,079	80,595	(42,484)
Fines and forfeitures	204,919	204,919	181,911	(23,008)
Sale of property and compensation for loss	-	-	77,100	77,100
Miscellaneous	315,000	315,000	332,624	17,624
Total Local Sources	15,776,771	15,776,771	16,187,838	411,067
State Sources	2,323,527	2,358,527	777,869	(1,580,658)
Federal sources	1,293,000	1,293,000	-	(1,293,000)
Total Revenues	19,393,298	19,428,298	16,965,707	(2,462,591)
OTHER FINANCING SOURCES				
Transfers from other funds	521,959	521,959	2,547,602	
Proceeds from debt	2,106,804	2,106,804	-	
	$ 22,022,061	$ 22,057,061	$ 19,513,309	

VILLAGE OF JOHNSON CITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED MAY 31, 2019

	Budget			Budget
EXPENDITURES	Original	Revised	Actual	Variance
General government support	$ 1,688,107	$ 1,630,438	$ 1,579,464	$ 50,974
Public safety - Police	3,985,058	3,974,342	3,969,147	5,195
Public safety - Fire	2,744,701	2,901,725	2,886,343	15,382
Public safety - Other	233,400	241,826	241,826	-
Transportation	883,324	860,850	860,850	-
Culture and recreation	1,890,021	1,844,739	243,441	1,601,298
Home and community service	33,925	17,423	17,423	-
Employee benefits	6,380,211	6,197,970	6,197,220	750
Debt service, principal	-	48,000	48,000	-
Debt service, interest	-	794	780	14
Capital outlay	2,627,123	2,577,358	1,128,754	1,448,604
Total Expenditures	20,465,870	20,295,465	17,173,248	3,122,217
OTHER FINANCING USES				
Transfers to other funds	1,556,189	1,759,469	1,759,469	-
Total Expenditures and Other Uses	22,022,059.00	22,054,934.00	$ 18,932,717	$ 3,122,217
Net change in fund balances			580,592	
Fund balance - beginning			4,754,795	
Fund balance - ending			$ 5,335,387	

VILLAGE OF JOHNSON CITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROJECT EXPENDITURES-
BUDGET (NON-GAAP BASIS) AND ACTUAL – CAPITAL FUND
FOR THE YEAR ENDED MAY 31, 2019

	Original Budget	Revised Budget	Expenditures Prior Years	Expenditures Current Year	Expenditures Total
Major capital projects					
Sewage Treatment Plant...........	$ 149,160,000	$ 149,160,000	$ 81,949,324	$ 25,237,757	$ 107,187,081
Parks....................................	-	-	-	-	-
	149,160,000	149,160,000	81,949,324	25,237,757	107,187,081
Various Purpose capital projects					
Projects for 2018.....................	7,632,750	7,632,750	7,632,750	-	7,632,750
Projects for 2019.....................	3,690,020	3,690,020	-	4,456,255	4,456,255
	11,322,770	11,322,770	7,632,750	4,456,255	12,089,005
	$ 160,482,770	$ 160,482,770	$ 89,582,074	$ 29,694,012	$ 119,276,086

	Financing Sources Bonds	Financing Sources Grants	Financing Sources Local	Financing Sources Total	Fund Balance
Major capital projects					
Sewage Treatment Plant............	$ 77,173,054	15,484,055	1,559	$ 92,658,668	(14,528,413)
Parks.....................................	-	-	50	50	50
	77,173,054	15,484,055	1,609	92,658,718	(14,528,363)
Various Purpose capital projects					
Projects for 2018......................	-	-	7,632,750	7,632,750	-
Projects for 2019......................	-	-	3,690,020	3,690,020	(766,235)
	-	-	11,322,770	11,322,770	(766,235)
	$ 77,173,054	$ 15,484,055	$ 11,324,379	$ 103,981,488	$ (15,294,598)

VILLAGE OF JOHNSON CITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF-
THE NET PENSION LIABILITY
FOR THE YEAR ENDED MAY 31, 2019

NYSLRS ERS PENSION PLAN

	2019	2018	2017	2016
Village's proportion of the net pension liability (asset)	0.0102608%	0.0105598%	0.0106644%	0.0102040%
Village's proportionate share of the net pension liability (asset)	$ 727,007	$ 340,811	$ 1,002,055	$ 340,919
Village's covered-employee payroll	$ 2,919,937	$ 2,591,257	$ 2,647,764	$ 2,506,391
Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	24.90%	13.15%	37.85%	13.60%
Plan fiduciary net position as a percentage of total pension liability	96.27%	98.24%	94.70%	97.90%

NYSLRS PFRS PENSION PLAN

	2019	2018	2017	2016
Village's proportion of the net pension liability (asset)	0.1341631%	0.1341631%	0.1346216%	0.1331460%
Village's proportionate share of the net pension liability (asset)	$ 2,405,973	$ 1,356,062	$ 2,790,237	$ 3,942,178
Village's covered-employee payroll	$ 4,931,731	$ 5,412,591	$ 4,545,412	$ 4,733,940
Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	48.79%	25.05%	61.39%	83.27%
Plan fiduciary net position as a percentage of total pension liability	95.09%	96.24%	99.00%	111.50%

VILLAGE OF JOHNSON CITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS
FOR THE YEAR ENDED MAY 31, 2019

NYSLRS ERS PENSION PLAN

	2019	2018	2017	2016
Contractually required contribution	$ 409,627	$ 411,991	$ 574,763	$ 582,276
Contributions in relation to the contractually required contribution	$ 409,627	$ 411,991	$ 574,763	$ 582,276
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Village's covered-employee payroll	$ 2,591,257	$ 2,591,257	$ 2,647,764	$ 2,506,391
Contributions as a percentage of covered-employee payroll	15.81%	15.90%	21.71%	23.23%

NYSLRS PFRS PENSION PLAN

	2019	2018	2017	2016
Contractually required contribution	$ 1,052,776	$ 1,006,069	$ 993,875	$ 811,794
Contributions in relation to the contractually required contribution	$ 1,052,776	$ 1,006,069	$ 993,875	$ 811,794
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Village's covered-employee payroll	$ 4,931,731	$ 5,412,591	$ 4,545,412	$ 4,733,940
Contributions as a percentage of covered-employee payroll	21.35%	18.59%	21.87%	17.15%

VILLAGE OF JOHNSON CITY
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
FOR THE YEAR ENDED MAY 31, 2019

		2019
OPEB liaibility reported using GASB 45 at Beginning of the year	$	50,164,663
Increase in liability using new accounting standard GASB 75		43,118,107
Total OPEB Liability Beginning of Year	$	93,282,770
Changes in totl OPEB Liablity:		
Service Cost		2,506,630
Interest		3,408,618
Changes in benefit terms		-
Differences between expected and actual experience		(18,138,788)
Changes in assumptions or other inputs		(4,559,280)
Benefit payments		(2,735,696)
Total OPEB Liability at End of Year (a)	$	73,764,254
Plan Fiduciary Net Position		-
Contributions - employer		2,735,696
Net investment income		-
Benefit payments		(2,735,696)
Net change in fiduciary net position		-
Plan Fiduciary Net Position Beginning of Year		-
Plan Fiduciary Net Position End of Year (b)		-
Sponsor's Net OPEB Liability End of Year (a)-(b)	$	73,764,254
Plan Fiduciary Net Position as a percentage of the total OPEB Liabilty		0.0%
Covered Payroll	$	7,851,668
Net OPEB Liability as a percentage of Covered Payroll		939.5%

Schedule of Employer OPEB Contributions

Actuarially Determined Contribution	$	1,869,246
Contributions in relation to the Actuarially Determined Contributions		2,735,696
Contributions Deficiency (Excess)	$	(866,450)
Covered Payroll	$	7,851,668
Contributions as a percentage of Covered Payroll		34.8%

Actuarial Assumptions:

Valutation Date	June 1, 2018
Measurement Date	June 1, 2018
Reporting Date	May 31, 2019
Actuarial Cost Method	Enry Age Normal - Level Percent of Pay
Plan Type	Single Employer Defined Benefit Plan
Discount rate	3.78%
Salary Scale	3.0%
Rate of Inflation	2.4%
Mortality - Actives	The RPH-2014 Mortality Table for employees, sex distinct, with generational mortality adjusted to 2006 using scale MP-2014, and projected forward with scale MP-2018.
Mortality - Retirees	The RPH-2014 Mortality Table for Healthy Annuitants, sex distinct, with generational mortality adjusted to 2006 using scale MP-2014, and projected forward with scale MP-2018.
Turnover	Rates of decrement due to turnover based on the experience under the New York State & Local Retirement System .
Medical Trend	
Pre-65	6.25% for 2018 decreasing to an ultimate rate of 3.94% by 2078
Post-65	8.50% for 2018 decreasing to an ultimate rate of 3.94% by 2078
Rate of Inflation	2.4%
Rate of Growth in Real Income/GDP per capita	1.5%
Extra Trend due to Tecnology and other factors	1.2%
Health Share of GDP Resistance Point	25.0%
Election Percentage	
Retiree	100.0%
Retiree Spouse	85.0%
Surviving Spouse	100.0%
Marriage Rate	70.0%
Morbidity	To reflect the differences in covered health care expenses due to aging, the expected health care claims are assumed to increase relative to age
Post-65 Medical Plan Election	50% of post-65 retirees will elect to enroll in the Hanford Medicare Supplement Plan with a $15/$30 prescription drug benefit.
Per Captia Costs	The plan is insured plan available to all actives and retirees. (see table)
Excise Tax	For pre-65 retirees, additional amounts of $1,650 for single coverage and $3,450 for family coverage are included for the tax. Trend rates are scaled up by 10% for the first 20 years after the premium exceeds the threshold, then scaled up 5% thereafter.

Schedule of Changes in the total OPEB liability and Related Ratios

For the year ended May 31,		2019
Service Cost	$	2,506,630
Interest		3,408,618
Changes in benefit terms		-
Differences between expected and actual experience		(18,138,788)
Changes in assumptions or other inputs		(4,559,280)
Benefit payments		(2,735,696)
Net change in OPEB liability		(19,518,516)
OPEB liability at the beginning of the year		93,282,770
OPEB liability at the end of the year	$	73,764,254
Covered payroll over measurement period	$	7,851,668
OPEB liability as a precentage of covered payroll		939%

Changes of assumptions and other inputs reflect the effects of the changes in the discount rate each period (currently 3.78%)