PRELIMINARY OFFICIAL STATEMENT DATED MAY 3, 2021

NEW ISSUE — **SERIAL BOND**

BOND RATING: Standard & Poor's "A+/Stable" — **See "BOND RATING" 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 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 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 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. See "TAX MATTERS" herein.

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

$2,800,000

VILLAGE OF LEROY

GENESEE COUNTY, NEW YORK

GENERAL OBLIGATIONS

$2,800,000 Public Improvement (Serial) Bonds, 2021

(referred to herein as the "Bonds")

Dated: Date of Delivery — **Due: May 15, 2022-2036**

The Bonds are general obligations of the Village of LeRoy, Genesee County, New York (the "Village"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to applicable statutory limits imposed by Chapter 97 of the Laws of 2011 of the State of New York. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Bonds will be issued as registered bonds and may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which, if so elected by the purchaser, will act as securities depository for the Bonds. If the Bonds are issued in book-entry 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 November 15, 2021 and semi-annually thereafter on May 15 and November 15 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.

Proposals for the Bonds shall be for not less than $2,800,000 and accrued interest, if any, on the total principal amount of the Bonds. A good faith deposit will not be required.

The Bonds are offered when, as and if issued and received by the purchaser and subject to the receipt of the respective approving legal opinion as to the validity of the Bonds of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, New York, New York. It is anticipated that the Bonds will be available for delivery through the facilities of DTC located in Jersey City, New Jersey or as may be agreed upon on or about May 19, 2021.

ELECTRONIC BIDS for the Bonds must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on May 10, 2021 until 11:00 A.M., Eastern Time, pursuant to the Notice of Private Competitive Bond Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the Village, each bid will constitute an irrevocable offer to purchase the Bonds pursuant to the terms provided in the Notice of Private Competitive Bond Sale.

May __, 2021

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

$2,800,000 Public Improvement (Serial) Bonds, 2021

(referred to herein as the "Bonds")

Dated: Date of Delivery **Due: May 15, 2022-2036**

MATURITIES*

Year	Amount	Rate	Yield	CUSIP	Year	Amount	Rate	Yield	CUSIP
2022	$ 160,000				2030	$ 190,000 *			
2023	165,000				2031	195,000 *			
2024	165,000				2032	200,000 *			
2025	170,000				2033	205,000 *			
2026	175,000				2034	205,000 *			
2027	175,000				2035	215,000 *			
2028	180,000				2036	215,000 *			
2029	185,000								

* Subject to change pursuant to the accompanying Notice of Private Competitive Bond Sale in order to achieve substantially level or declining annual debt service, and to comply with Federal tax law provisions relating to over issuance.

** The Bonds maturing in the years 2030-2036 are subject to redemption prior to maturity as described herein under the heading "THE BONDS - Optional Redemption" herein.

VILLAGE OF LEROY
GENESEE COUNTY, NEW YORK

VILLAGE BOARD

GREG ROGERS
Mayor

BILL KETTLE
RAY YACUZZO
JIM BONAQUISTI
RICHARD TETRAULT

* * * * * * * * *

SHARON M. JEARY
Clerk/Treasurer

JAKE M. WHITING, ESQ
Village Attorney

FISCAL ADVISORS & MARKETING, INC.
Village Municipal Advisor

ORRICK, HERRINGTON & SUTCLIFFE LLP
Bond Counsel

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

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PREPARED WITH THE ASSISTANCE OF

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OFFICIAL STATEMENT

of the

VILLAGE OF LEROY

GENESEE COUNTY, NEW YORK

Relating To

$2,800,000 Public Improvement (Serial) Bonds, 2021

This Official Statement, which includes the cover page and all appendices, has been prepared by the Village of LeRoy, Genesee County, New York (the "Village", "County", and "State", respectively) in connection with the sale by the Village of $2,800,000, Public Improvement (Serial) Bonds, 2021 (the "Bonds").

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

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

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. 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 "THE VILLAGE-State Aid" and "MARKET AND RISK FACTORS" herein.

NATURE OF OBLIGATION

Each bond, 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 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. See "TAX LEVY LIMITATION LAW," herein.

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 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.

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

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

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 OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Bonds will be dated the date of delivery 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 heading "Optional Redemption." The "Record Date" of the Bonds will be the last business day of the calendar month preceding each such interest payment date. Interest will be calculated on a 30-day month and 360-day year basis.

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 November 15, 2021 and semi-annually thereafter on May 15 and November 15 in each year until maturity (or earlier redemption). 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 and the Village will act as paying agent. 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 May 15, 2029 shall not be subject to redemption prior to maturity. The Bonds maturing on or after May 15, 2030 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 May 15, 2029 or on any date thereafter at par (100.0%), plus accrued interest to the date of redemption.

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

Purpose of Issue

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Village Law and the Local Finance Law and a bond resolution adopted by the Village Board Trustees authorizing the issuance of $2,800,000 serial bonds to finance improvements to Wolcott Street.

The proceeds of the Bonds will provide $2,800,000 new money for the above-mentioned purpose.

BOOK-ENTRY-ONLY SYSTEM

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

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

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

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

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

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

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

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

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

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

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 (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

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

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

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the Village and discharging its responsibilities with respect thereto under applicable law, or the Village may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of $5,000 each or any integral multiple thereof for any single maturity. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the Village upon termination of the book-entry-only system. Interest on the Bonds will be payable on November 15, 2021 and semi-annually thereafter on May 15 and November 15 in each year until maturity. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the last business day of the calendar month (whether or not a business day) preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Bond Determinations Certificate of the President of the Board of Education authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the last business day of the calendar month preceding an interest payment date and such interest payment date.

THE VILLAGE

General Information

The Village, with a land area of 2.5 square miles, is located in the east-central portion of Genesee County about 30 miles southwest of Rochester and 45 miles east of Buffalo. It serves as the main shopping and business center for the surrounding area. Housing consists primarily of single-family homes.

Major employers include Lapp Insulator Co., Automotive Corp., PCORE, ORCON and LeRoy Village Green Nursing Home. In addition, residents may commute to Rochester and Buffalo. Highway facilities include Interstate Routes 90, 490 and New York State Routes 5, 19 and 20.

The Village provides the bulk of municipal services supplied to the residents thereof and for such purpose furnishes sewer facilities, and builds and maintains Village streets. Water service is provided by the Monroe County Water Authority. Public safety is provided by the Village Police and the New York State Police and the County Sheriff's Department. Fire protection is provided by the LeRoy Fire District and ambulance service is provided by the LeRoy Ambulance Service. Regulation of building construction and street lighting are Village functions. Electricity is provided by National Grid and natural gas by Rochester Gas and Electric. Telephone service is provided by Frontier.

The LeRoy Central School District provides education for grades K-12. Higher educational opportunities are available at the nearby Genesee Community College and at many colleges and universities in the Rochester and Buffalo areas.

Banking services are available from the Bank of Castile and Five Star Bank, all located within the Village.

Source: Village officials.

Form of Village Government

The Village was incorporated in 1834. One independently governed school district is located partially within the Village which relies on its own taxing powers granted by the State to raise revenues. The school district uses the Town of LeRoy's assessment roll as its basis for taxation of property located in the Village.

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

The chief executive officer of the Village is the Mayor, who is elected to four-year term and is eligible to succeed himself. He is also a member of the Board of Trustees, which is the governing body and finance board of the Village. In addition to the Mayor, there are four trustees who are elected to four-year terms. The terms of the Trustees are staggered such that two trustees are elected every two years. All the Board members are elected at large and there is no limitation to the number of terms each may serve.

The Mayor, with the approval of the Board of Trustees, appoints a Clerk/Treasurer who is appointed annually. The Village clerk/treasurer serves as the tax collector. The Deputy Clerk/Treasurer and Village attorney are appointed annually.

The Village Treasurer is the chief fiscal officer. The Mayor is the chief executive officer.

Population Trends

	Village of LeRoy	Town of LeRoy	Genesee County	New York State
1990	4,974	8,176	60,060	17,990,455
2000	4,462	7,790	60,370	18,976,457
2010	4,391	7,641	60,079	19,378,102
2019 (Estimated)	4,224	7,376	57,808	19,572,319

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

Larger Employers

Below is a listing of larger employers whereby Village residents find employment:

Name	Type	Employees
LeRoy Village Green	Nursing Home	238
LeRoy Central School District	Public Education	225
CH Wright	Beverage Distributor	183
Lapp Insulator	Manufacturing	120
Tops Markets	Grocery Store	100
Orcon	Packaging	75
PCORE	Manufacturing	71

Source: Village officials.

Selected Wealth and Income Indicators

Per capita income statistics are available for the Village, Town, County and State. Listed below are select figures from the 2000 Census Reports, 2006-2010 and 2015-2019 American Community Survey 5 Year Estimates.

	Per Capita Income			Median Family Income		
	2000	2006-2010	2015-2019	2000	2006-2010	2015-2019
Village of: LeRoy	$ 18,595	$ 22,977	$ 30,028	$ 43,594	$ 55,093	$ 76,679
Town of: LeRoy	19,342	25,179	32,659	49,189	64,000	81,762
County of: Genesee	18,498	24,323	30,511	47,771	60,127	77,910
State of: New York	23,389	30,948	39,326	51,691	67,405	84,385

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

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

Unemployment Rate Statistics

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

Annual Averages

	2014	2015	2016	2017	2018	2019	2020
Genesee County	5.6	5.0%	4.7%	4.8%	4.2%	3.8%	7.4%
New York State	6.3	5.2	4.9	4.6	4.1	3.8	10.0

2020-2021 Monthly Figures

	2020								**2021**			
	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Genesee County	11.1%	9.5%	9.6%	7.5%	4.9%	4.6%	4.9%	5.6%	6.2%	6.7%	6.1%	N/A
New York State	15.7	14.8	14.8	11.6	9.9	8.3	8.3	8.5	9.4%	9.7%	8.5%	N/A

Note: Unemployment rates for the months of April 2021 are not available as of the date of this Official Statement. Unemployment rates for the foreseeable future are expected to remain substantially higher than prior periods as a result of the COVID-19 pandemic.

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

Investment Policy

The primary objectives of the Village's investment policy are, in priority order, as follows:

- To conform to all applicable federal, state and other legal requirements.
- To adequately safeguard principal.
- To provide sufficient liquidity to meet all operating requirements.
- To obtain a reasonable rate of return on invested funds.

Pursuant to State law, including Sections 10 and 11 of the General Municipal Law (the "GML"), the Village is generally permitted to deposit moneys in banks or trust companies located and authorized to do business in the State. All such deposits, including special time deposit accounts and certificates of deposit, in excess of the amount insured under the Federal Deposit Insurance Act, are required to be secured in accordance with the provisions of and subject to the limitations of Section 10 of the GML.

The Village may also temporarily invest moneys in: (1) obligations of the United States of America; (2) obligations of the State of New York; (3) In Repurchase Agreements involving the purchase and sale of direct obligations of the United States; (4) certificates of Deposit issued by a bank or trust company authorized to do business in New York State; (5) Time Deposit Accounts in a bank or trust company authorized to do business in New York State; (6) in the case of moneys held in certain reserve funds established by the Village pursuant to law, in obligations of the Village.

All funds may be invested in: (1) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (2) with the approval of the New York State Comptroller, in tax anticipation notes or revenue anticipation notes issued by any municipality, school district, or district corporation, other than those notes issued by the Village, itself.

Only reserve funds may be invested in: (1) Obligations of the Village.

All of the foregoing investments are required to be payable or redeemable at the option of the owner within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable in any event, at the option of the owner, within two years of the date of purchase. Unless registered or inscribed in the name of the Village, such instruments and investments must be purchased through, delivered to and held in custody of a bank or trust company in the State pursuant to a written custodial agreement as provided by Section 10 of the GML.

The Village Board of Trustees has adopted an investment policy and such policy conforms with applicable laws of the State governing the deposit and investment of public moneys. All deposits and investments of the Village are made in accordance with such policy.

Budgetary Procedures

The Village operates on a fiscal year beginning June 1 and ending May 31. The Board of Trustees, with the assistance of the Village Treasurer, prepares a tentative budget no later than March 20th of each fiscal year for the fiscal year commencing the following June 1 and holds a public hearing thereon by April 15th. Subsequent to the budget hearing, revisions, if any, are made and the budget is then adopted by the Board of Trustees as its final budget for the coming fiscal year by May 1. The budget of the Village is not subject to voter approval.

All modifications of the budget must be approved by the governing board.

Financial Operations

The Village Treasurer functions as the chief fiscal officer of the Village as provided by Section 2 of the Local Finance Law: in this role, the Treasurer is responsible for the Village's accounting and financial reporting activities, which are delegated to and carried out by the Treasurer. In addition, the Village Treasurer is the Village's budget officer and must therefore prepare the annual tentative budget for submission to the Board of Trustees. Budgetary control during the year is the responsibility of the Treasurer. Pursuant to Section 30 of the Local Finance Law, the Treasurer must execute an authorizing certificate which then becomes a matter of public record.

The Board of Trustees, as a whole, serves as the finance board of the Village and is responsible for authorizing, by resolution, all material financial transactions such as operating and capital budgets and bonded debt.

Village finances are operated primarily through the General Fund. All real property taxes and most of the other Village revenues are credited to this fund. Current operating expenditures are paid from this fund subject to available appropriations. Capital projects and selected equipment purchases are accounted for in special capital project funds.

The Village's fiscal year runs from June 1 through May 31 for operating and reporting purposes.

State Aid

The Village receives financial assistance from the State. State Aid accounts for approximately 11.9% of the total general fund budgeted revenues of the Village in the 2020-21 fiscal year. A substantial portion of the State aid received is directed to be used for specific programs. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Village, in any year or future years. the Village may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments. Additionally, if the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Village, may be affected by a delay in the payment of State aid.

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

Due the outbreak of COVID-19, the State has declared a state of emergency and the Governor took and continues to take steps designed to mitigate the spread and impacts of COVID-19. The outbreak of COVID-19 and the dramatic steps taken by the State to address it have and are expected to continue to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time; however, it is anticipated that the State will experience budgetary restrictions which will require certain gap-closing actions. Such actions may include, but are not limited to: reductions in State agency operations and/or delays or reductions in payments to local governments or other recipients of State aid including municipalities and school districts in the State. If this were to occur, reductions in the payment of State aid could adversely affect the financial condition of municipalities and school districts in the State, including the Village. (See "See "MARKET AND RISK FACTORS – COVID-19" herein" herein).

The State's 2020-2021 Enacted Budget authorizes the State's Budget Director to make periodic adjustments to nearly all State spending, including State Aid, in the event that actual State revenues come in below 99% percent of estimates or if actual disbursements exceed 101% of estimates. Specifically, the legislation provides that the State Budget Director will determine whether the State's 2020-2021 budget is balanced during three "measurement periods": April 1 to April 30, May 1 to June 30, and July 1 to Dec. 31. According to the legislation, if "a General Fund imbalance has occurred during any Measurement Period," the State's Budget Director will be empowered to "adjust or reduce any general fund and/or state special revenue fund appropriation … and related cash disbursement by any amount needed to maintain a balanced budget," and "such adjustments or reductions shall be done uniformly across the board to the extent practicably or by specific appropriations as needed." The legislation further provides that prior to making any adjustments or reductions, the State's Budget Director must notify the Legislature in writing and the Legislature has 10 days following receipt of such notice to prepare and approve its own plan. If the Legislature fails to approve its own plan, the Budget Director's reductions take effect automatically.

On October 30, 2020, the New York State Division of the Budget released the fiscal year ending 2021 Mid-Year State Budget Financial Plan Update, which projects a $14.9 billion General Fund revenue decline and a 15.3% decline in tax receipts from prior budget forecasts. The State further projects a total revenue loss of $63 billion through the State's fiscal year ending 2024 as a direct consequence of the COVID-19 pandemic. The State has announced that in the absence of Federal funding to offset this revenue loss, the State has begun to take steps to reduce spending, including but not limited to, temporarily holding back aid payments to local governments and school districts. According to the State, all or a portion of such temporary reductions in aid payments may be converted to permanent reductions, depending on the size and timing of any new Federal aid. Such reductions or delays in the payment of State aid could adversely affect the financial condition of municipalities and school districts in the State.

Since June 2020 the State has been withholding 20% of local assistance payments due to municipalities pursuant to the Aid and Incentives to Municipalities Aid, Consolidated Local Street and Highway Improvement Program and various grant programs. The State recently announced that local governments would be paid a portion of the amount withheld from the local assistance payments by the end of March 31, 2021, and that it would continue to withhold approximately 5% of the total local assistance payments. The State's Executive Budget for fiscal year ending March 31, 2022 proposes to reduce State funding paid to cities by up to 20%. Some of such reductions may be restored as a result of the recently enacted stimulus bill. Nevertheless, the Village believes it would be able to sustain the impacts of such State aid cuts during its 2021 fiscal year.

Under the Local Finance Law, if for any reason the Village anticipates not receiving payment of such State aid as needed, the Village is permitted to provide operating funds by borrowing in anticipation of the receipt of any uncollected State aid. However, there can be no assurance that the Village will have market access for any such borrowing on a cost effective basis if such need should arise. The elimination of or any substantial reduction in State aid would likely have a materially adverse effect upon the Village requiring either a counterbalancing increase in revenues from other sources to the extent available or a curtailment of expenditures.

Employees

The Village provides services through approximately 17 full-time and up to 8 year-round part-time employees. Some of the employees of the Village are represented by the following labor organizations.

Employees Represented	Bargaining Agent	Contract Expiration Date
13	Law Enforcement Officers Union Council 82, AFSCME, AFL-CIO	5/31/2021
9	Service Employees International Union Local 200 United	5/31/2021

Source: Village officials.

Status and Financing of Employee Pension Benefits

Substantially all employees of the Village are members of the New York State and Local Employees' Retirement System ("ERS") or the New York State and Local Police and Fire Retirement System ("PFRS"; with ERS, the "Retirement Systems"). The ERS is generally also known as the "Common Retirement Fund". The Retirement Systems are cost-sharing multiple public employer retirement systems. The obligation of employers and employees to contribute and the benefit to employees are governed by the New York 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 form 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 have been as follows:

Fiscal Year	ERS	PFRS
2017	$ 80,183	$ 136,283
2018	61,205	130,723
2019	60,999	143,762
2020	63,319	118,426
2021	90,785	125,488
2022 (Proposed)	115,000	149,262

Source: Village officials. Table itself is not audited.

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

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

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

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

Other Post-Employment Benefits

It should be noted that the Village does not provide post-employment healthcare benefits to various categories of former employees. Retired employees have the option to continue coverage provided 100% of the premium is paid by the employee. There is no direct Village expenditure for healthcare benefits to retired employees.

Other Information

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

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

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

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

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

Financial Statements

The Village retains an independent certified public accountant firm for a continuous 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, 2020 and is attached hereto as "APPENDIX – D".

The Village complies with the Uniform System of Accounts as prescribed for towns 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.

New York State Comptroller Reports of Examination

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

There have not been any State Comptroller's audit reports of the Village published in the past five years, and there are no State Comptrollers audits of the Village that are currently in progress or pending release at this time.

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

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 past three years for the Village are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2020	No Designation	0.0
2019	No Designation	0.0
2018	No Designation	0.0

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.

TAX INFORMATION

Taxable Valuations

Year of Village Tax Roll:	2017	2018	2019	2020	2021
Assessment Roll Year:	2015	2016	2017	2018	2019
Total Assessed Valuation	$ 164,632,616	$ 165,943,005	$ 166,247,554	$ 174,245,738	$ 178,895,240
State Equalization Rate	100.00%	100.00%	100.00%	100.00%	100.00%
Taxable Full Valuation	$ 164,632,616	$ 165,943,005	$ 166,247,554	$ 174,245,738	$ 178,895,240

Source: Village officials.

Tax Rate per $1,000 (Assessed)

Year of Village Tax Roll:	2017	2018	2019	2020	2021
Assessment Roll Year:	2015	2016	2017	2018	2019
Village	$ 10.45	$ 10.59	$ 10.70	$ 10.70	$ 10.70

Source: Village officials.

Tax Collection Procedure

Village taxes are levied on June 1st, and collected without penalty through July 1st. A rate charge of 5% will be added to taxes paid between July 2nd and August 1st. An additional 1% per month is collected until November 1st, when all unpaid taxes are returned to the County Treasurer's Office and uncollected taxes and penalties are relieved as part of the County tax levy. The County guarantees to pay the Village the full amount of such uncollected taxes prior to the end of the Village fiscal year in which the tax was levied.

Tax Collection Record

Fiscal Year Ending May 31:	2016	2017	2018	2019	2020
Taxes on Roll	$ 1,723,265	$ 1,762,123	$ 1,787,037	$ 1,866,792	$ 1,914,177
Delinquent Water & Sewer	111,259	129,569	151,963	162,703	140,157
Other Tax Items	0	755	0	0	0
Percent Collected (1)	100%	100%	100%	100%	100%

(1) The County reimburses the Village each year for any uncollected taxes so that the Village is assured of 100% of its tax levy each year. (See "Tax Collection Procedure" herein).

Source: Village officials.

Constitutional Tax Margin

Computation of Constitutional Tax Margin for fiscal year ending May 31, 2021:

	2021
Five-Year Average Full Valuation	$ 169,992,831
Constitutional Tax Limit – 2.0% thereof	3,399,857
Total Tax Levy General Village Purposes	1,914,177
Less: Exclusions from Limit	0
Tax Levy Subject to Debt Limit	$ 1,914,177
Percentage of Tax Limit Exhausted	56.30%
Constitutional Tax Margin	$ 1,485,680

Source: Village officials.

Ten Largest Taxpayers – 2020-21 Village Tax Roll

Name	Type	Taxable Assessed Valuation
Niagara Mohawk (National Grid)	Utility	$ 6,892,879
Rochester Gas & Electric	Utility	3,902,824
LeRoy TK Owner	Real Estate	3,300,000
Lapp Insulators, LLC	Industrial Supply	3,232,100
Howitt Enterprises-LeRoy, LLC	Commercial	3,151,100
St. Ann's LeRoy, LLC	Retirement Community	3,000,000
Ten Munson Street Realty, LLC	Real Estate	3,000,000
LeRoy Meadows Associates	Apartments	2,230,000
American Realty Capital Trust, Inc	Real Estate	1,700,000
Wright Associates, L.P.	Commercial	1,699,100

The ten larger taxpayers listed above have a total taxable assessed valuation of $32,108,003 which represents 19.5% of the tax base 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 or believed to have a material impact on the Village.

Source: Village officials.

Sales Tax

The Village receives a share of the County sales tax. The following table sets forth total general fund revenues and sales tax revenues received for each of the last three fiscal years, and the amounts budgeted for the most recent fiscal year.

Fiscal Year Ended May 31:	Total Revenues (1)	Sales Tax Collected	Percent of Sales Tax to Revenues
2016	$ 3,136,706	$ 936,386	29.8%
2017	3,201,921	931,995	29.1
2018	3,226,643	965,901	29.9
2019	3,275,890	1,017,173	31.1
2020	3,244,622	1,035,188	31.9
2021 (Budgeted)	3,464,713	600,000	17.3
2021 (Collected to date)	N/A	325,275	N/A
2022 (Budgeted)	3,720,745	760,000	20.4

(1) General Fund.

Source: Village 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. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System, and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

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

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

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

<u>Purpose and Pledge.</u> Subject to certain enumerated exceptions, the Village shall not give or loan any money or property to or in aid of any individual, private corporation or private undertaking or give or loan its credit to or in aid of any foreign or public corporation. The Village may contract indebtedness only for a Village purpose and shall pledge its faith and credit for the payment of the principal of any interest thereon.

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

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

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the debt limit of the Village is calculated by taking 7% of the latest five-year average of the full valuation of all taxable real property.

Statutory Procedure

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

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

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

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

(2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligation and an action contesting such validity is commenced within twenty days after the date of such publication, or

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

The Village generally issues its obligations after the time period specified in 3, above has expired with no action filed that has contested validity. It is a procedure that is recommended by Bond Counsel and followed by the Village, but it is not an absolute legal requirement.

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

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

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

Debt Outstanding End of Fiscal Year

Fiscal Years Ending May 31st:	2016	2017	2018	2019	2020
Bonds (Village)	$ 585,000	$ 445,000	$ 300,000	$ 150,000	$ 0
Bonds (Sewer)	970,000	660,000	335,000	0	0
Bond Anticipation Notes	0	0	0	0	0
Total Debt Outstanding	$ 1,555,000	$ 1,105,000	$ 635,000	$ 150,000	$ 0

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the Village evidenced by bonds and notes as of April 28, 2021.

Type of Indebtedness	Maturity		Amount
Bonds	--		$ 0
Bond Anticipation Notes	--		0
		Total Indebtedness	$ 0

Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of April 28, 2021:

Five-Year Average Full Valuation of Taxable Real Property			$ 169,992,831
Debt Limit - 7% thereof			11,899,498
Inclusions:			
Bonds	$ 0		
Bond Anticipation Notes	0		
Total Inclusions		$ 0	
Exclusions:			
Appropriations	$ 0		
Sewer Debt (1)	0		
Water Debt (2)	0		
Total Exclusions		$ 0	
Total Net Indebtedness Subject to Debt Limit			$ 0
Net Debt-Contracting Margin			$ 0
Percent of Debt Contracting Power Exhausted			0.00%

(1) Sewer Debt is excluded pursuant to Section 124.10 of the Local Finance Law.
(2) Water Debt is excluded pursuant to Article VIII, Section 5B of the New York State Constitution.

Note: The proceeds of the Bonds will increase the net indebtedness of the Village by $2,800,000.

Bonded Debt Service

The Village does not currently have any general obligation bonded indebtedness outstanding.

Cash Flow Borrowing

The Village has not found it necessary to issue revenue anticipation notes, tax anticipation notes, budget notes nor deficiency notes in the recent past, and has no plans to borrow for such in the foreseeable future.

Capital Project Plans

The Village is generally responsible for providing services as required by the citizens on a Village-wide basis. The Village maintains a road system necessitating road resurfacing and improvements and the acquisition of machinery and, from time to time, equipment. Additionally, although not a capital expense, such road system requires annual expenditures for snow removal as well as regular general operating maintenance expense. In addition, the Village owns, operates, maintains and improves recreation facilities. As has been noted, the Village generally has provided the financing for sanitary sewer facilities.

The Village is currently contemplating a project consisting of improvements to its Wastewater Treatment Plan in an amount of approximately $9,000,000. The Village has commitments from EFC for 0% financing and from the DEC to receive up to $2 million in grant funds. There is no firm project timeline as of the date of this Official Statement.

Estimated Overlapping Indebtedness

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

Municipality	Status of Debt as of	Gross Indebtedness (1)	Estimated Exclusions (2)	Net Indebtedness	Village Share	Applicable Indebtedness
County of:						
Genesee	12/31/2019	$ 23,950,000	$ 4,000,000 (3)	$ 19,950,000	6.17%	$ 1,230,915
Town of:						
LeRoy	12/31/2019	1,903,816	1,903,816 (3)	-	48.35%	-
School District:						
LeRoy CSD	6/30/2020	22,434,638	20,348,217 (4)	2,086,421	39.85%	831,439
Fire District:						
LeRoy	12/31/2019	320,687	-	320,687	48.35%	155,052
					Total:	$ 2,062,354

(1) Outstanding bonds and bond anticipation notes. Not adjusted to include subsequent bond or note sales, if any.
(2) Pursuant to applicable constitutional and statutory provisions, this indebtedness is deductible from gross indebtedness for debt limit purposes.
(3) Sewer and water debt, appropriations and cash on hand for debts.
(4) Estimated State Building aid.

Source: State Comptroller's reports for fiscal year ending 2019 for the County and Town and fiscal year ending 2020 for the school districts.

Debt Ratios

The following table sets forth certain ratios relating to the Village's net indebtedness as of April 28, 2021.

	Amount	Per Capita (a)	Percentage of Full Value (b)
Net Indebtedness (c)	$ 0	$ 0	0.00%
Net Indebtedness Plus Net Overlapping Indebtedness (d)...........	2,062,354	488.25	1.25

(a) The 2019 estimated population of the Village is 4,224. (See "THE VILLAGE – Population" herein.)
(b) The Village's 2020-21 full value of taxable real estate is $164,632,616. (See "TAX INFORMATION" herein.)
(c) See "Calculation of Net Direct Indebtedness" herein.
(d) Estimated net overlapping indebtedness is $2,062,354. (See "Estimated Overlapping Indebtedness" herein.)

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors' Provision. Each Bond 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 in the event of a default in the payment of the principal of and interest on the Bonds.

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 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 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) 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 Village 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, described below, enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the Village.

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, such as the Bonds.

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 has never defaulted in the payment of the principal of and interest on any indebtedness.

MARKET AND RISK FACTORS

There are various forms of risk associated with investing in the 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 investment risk.

The financial and economic 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, 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 its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the Village to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Bonds could be adversely affected.

Although the faith and credit of the Village have been pledged for the payment of the principal of and interest on the Bonds, the financial condition of the Village is dependent in part on State aid that has been and is expected to be received from the State in the future. However, the State is not constitutionally obligated to maintain or continue State aid to municipalities and school districts in the state, including the Village and, as a result, no assurance can be given that present State aid levels will be maintained in the future, particularly if the State should experience financial difficulty of its own. Furthermore, if the financial condition of the State should cause the State to delay making payments of State aid to municipalities and school districts in the State in any year, the Village may be adversely affected by such a delay. The availability of such monies and the timeliness of such payment may be affected by a delay in the adoption of the State budget, the impact to the State's economy and financial condition due to the COVID-19 outbreak and other circumstances, including State fiscal stress. State aid appropriated and apportioned to the Village can be paid only if the State has such monies available.

Uncertainty regarding the impact of the COVID-19 pandemic may cause extreme volatility across all financial markets, including the primary and secondary markets for municipal bonds. Under such conditions, holders of the Bonds may have more difficulty trading the Bonds on satisfactory terms, or at all.

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 Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the 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 MATTERS" herein).

The Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the Village and continuing technical and constitutional issues raised by its enactment and implementation could have an impact upon the finances and operations of the Village and hence 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. The Village does have a cyber insurance policy in place to help mitigate the costs of an occurrence of such event.

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.

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 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 is not a specific preference item for purposes of the federal alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in "APPENDIX – C".

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The Village has covenanted to comply with certain restrictions designed to insure that interest on the Bonds will not be included in federal gross income. Failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes possibly from the date of original issuance of the Bonds. 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) or any other matters coming to the attention of Bond Counsel after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to and may not be relied upon in connection with any such actions, events or matters.

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) 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 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 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 may otherwise affect an Owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Owner or the Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds 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 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. 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. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion."

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel expects to deliver such opinion at the time of issuance of the Bonds substantially in the form set forth in "APPENDIX – C" hereto.

LITIGATION

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

In addition, certain property owners (including various largest taxpayers) have filed certiorari petitions under Article 7 of the Real Property Tax Law. Such petitions allege that property values as presently determined are excessive and request assessment reductions for one or more years and, in most actions, a refund of property taxes previously paid. The Village does not reasonably expect these outstanding tax certioraris to have a material impact on the Village, however, pursuant to State law, the Village may issue debt to pay tax certiorari refunds should the amount of such refunds exceed the amount on hand therefor.

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the Village will enter into a Continuing Disclosure Undertaking with respect to the Bonds, the description of which is attached hereto as "APPENDIX – B".

Historical Continuing Disclosure Compliance

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

BOND RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned its rating of "A+" 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 S&P and any desired explanation of the significance of such rating should be obtained from Standard & Poor's Credit Market Services, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 438-2118.

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 particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant. Any downward revision or withdrawal of the rating of the Bonds may have an adverse effect on the market price of the Bonds.

MUNICIPAL ADVISOR

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

CUSIP IDENTIFICATION NUMBERS

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

MISCELLANEOUS

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

Statements in this official statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the Village management's beliefs as well as assumptions made by, and information currently available to, the Village's management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the Village'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.

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

Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel to the Village, expressed no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the Village for use in connection with the offer and sale of the Bonds, 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, 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 by the Village and may not be reproduced or used in whole or in part for any other purpose.

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

The Municipal Advisor may place a copy of this Official Statement on its website at www.fiscaladvisors.com. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. The Municipal Advisor has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the Village nor the Municipal Advisor assumes any liability or responsibility for errors or omissions on such website. Further, the Municipal Advisor and the Village disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. The Municipal Advisor and the Village also assumes no liability or responsibility for any errors or omissions or for any updates to dated website information.

The Village contact information is as follows: Ms. Sharon M. Jeary, Village Treasurer, Village of LeRoy, 3 West Main Street, LeRoy, New York 14482, telephone (585) 768-2527, fax (585) 768-4549, email sjeary@villageofleroy.org.

Additional information and copies of the Notice of Private Competitive Bond Sale and the Official Statement 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 LEROY

Dated: May 3, 2021

SHARON M. JEARY
VILLAGE TREASURER

GENERAL FUND

Balance Sheets

Fiscal Years Ending May 31:	2016	2017	2018	2019	2020
ASSETS					
Cash	$ 5,086,182	$ 4,440,619	$ 4,405,665	$ 4,808,527	$ 3,222,262
Due from Other Governments	209,540	231,198	292,795	200,000	14,783
Accounts Receivable	12,171	26,972	13,443	3,741	49,333
Due from Other Funds	78,073	1,067,121	1,313,789	1,258,889	1,391,583
Investments	-	-	-	-	2,009,770
TOTAL ASSETS	$ 5,385,966	$ 5,765,910	$ 6,025,692	$ 6,271,157	$ 6,687,731
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 78,675	$ 45,937	$ 46,625	$ 63,042	$ 74,714
Accrued Liabilities	41,467	37,732	32,913	52,099	49,764
Due to Other Funds	-	-	-	-	-
TOTAL LIABILITIES	$ 120,142	$ 83,669	$ 79,538	$ 115,141	$ 124,478
FUND EQUITY					
Nonspendable	$ -	$ -	$ -	$ -	$ -
Restricted	1,034,179	695,996	695,996	545,891	394,391
Committed	10,000	10,000	10,000	10,000	10,000
Assigned	187,000	273,131	386,105	339,349	97,165
Unassigned	4,034,645	4,703,114	4,854,053	5,260,776	6,061,697
TOTAL FUND EQUITY	5,265,824	5,682,241	5,946,154	6,156,016	6,563,253
TOTAL LIABILITIES and FUND EQUITY	$ 5,385,966	$ 5,765,910	$ 6,025,692	$ 6,271,157	$ 6,687,731

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

APPENDIX - A1
Village of LeRoy

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending May 31:	2016	2017	2018	2019	2020
REVENUES					
Real Property Taxes	$ 1,764,984	$ 1,774,513	$ 1,816,602	$ 1,845,178	$ 1,942,032
Non-Property Taxes	1,031,532	1,028,295	1,067,688	1,128,857	952,591
Departmental Income	5,574	5,424	5,297	5,759	6,013
Intergovernmental charges	102,776	121,096	132,635	57,489	81,730
Use of Money & Property	1,378	1,573	2,111	7,199	15,414
Licenses and Permits	12,259	8,208	6,944	3,323	420
Fines and Forfeitures	-	-	-	-	-
Sale of Property and Compensation for Loss	153,691	121,778	127,668	93,845	131,639
Miscellaneous	5,091	65,712	4,813	2,988	45,812
Revenues from State Sources	59,421	75,322	62,885	131,252	68,971
Revenues from Federal Sources	-	-	-	-	-
Total Revenues	$ 3,136,706	$ 3,201,921	$ 3,226,643	$ 3,275,890	$ 3,244,622
EXPENDITURES					
General Government Support	$ 325,025	$ 305,865	$ 329,990	$ 343,165	$ 360,445
Public Safety	757,153	733,271	934,876	895,190	841,894
Health	1,600	1,600	1,600	1,600	1,600
Transportation	489,947	497,622	538,227	711,836	537,531
Economic Assistance	1,028	1,217	1,568	751	848
Culture and Recreation	68,795	46,331	38,597	109,489	143,191
Home and Community Services	304,245	512,817	469,454	381,056	373,923
Employee Benefits	541,221	518,430	495,968	468,441	426,453
Debt Service	247,330	168,351	152,450	154,500	151,500
Total Expenditures	$ 2,736,344	$ 2,785,504	$ 2,962,730	$ 3,066,028	$ 2,837,385
Excess of Revenues Over (Under) Expenditures	400,362	416,417	263,913	209,862	407,237
Other Financing Sources (Uses):					
Operating Transfers (Net)	(20,000)	-	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	380,362	416,417	263,913	209,862	407,237
FUND BALANCE					
Fund Balance - Beginning of Year	4,885,462	5,265,824	5,682,824	5,946,154	6,156,016
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 5,265,824	$ 5,682,241	$ 5,946,737	$ 6,156,016	$ 6,563,253

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

GENERAL FUND

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

Fiscal Years Ending May 31:	2020 Original Budget	2020 Audited Actual	2021 Adopted Budget	2022 Tentative Budget
REVENUES				
Real Property Taxes	$ 1,924,292	$ 1,942,032	$ 1,978,777	$ 1,988,965
Non-Property Taxes	692,000	952,591	650,000	760,000
Departmental Income	5,900	6,013	61,200	55,900
Intergovernmental charges	76,900	81,730	78,700	74,100
Use of Money & Property	4,000	15,414	6,000	5,600
Licenses and Permits	3,030	420	3,530	5,030
Fines and Forfeitures	7,600	-	9,200	6,600
Sale of Property and Compensation for Loss	84,900	131,639	87,700	87,400
Miscellaneous	2,600	45,812	2,800	4,900
Revenues from State Sources	86,960	68,971	389,641	732,250
Revenues from Federal Sources	-	-	-	-
Total Revenues	$ 2,888,182	$ 3,244,622	$ 3,267,548	$ 3,720,745
EXPENDITURES				
General Government Support	$ 606,715	$ 360,445	$ 585,740	$ 648,740
Public Safety	904,425	841,894	909,120	800,417
Health	1,600	1,600	1,600	1,600
Transportation	609,477	537,531	708,520	1,203,116
Economic Assistance	2,500	848	2,500	2,500
Culture and Recreation	179,400	143,191	80,300	77,400
Home and Community Services	406,035	373,923	407,700	364,900
Employee Benefits	517,460	426,453	534,652	399,072
Debt Service	152,519	151,500	153,581	223,000
Total Expenditures	$ 3,380,131	$ 2,837,385	$ 3,383,713	$ 3,720,745
Excess of Revenues Over (Under) Expenditures	(491,949)	407,237	(116,165)	-
Other Financing Sources (Uses): Operating Transfers (Net)	-	-	(81,000)	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(491,949)	407,237	(197,165)	-
FUND BALANCE				
Fund Balance - Beginning of Year	491,949	6,156,016	197,165	-
Prior Period Adjustments (net)	-	-	-	-
Fund Balance - End of Year	$ -	$ 6,563,253	$ -	$ -

Source: 2020 audited financial report, 2021 adopted budget (unaudited) and 2022 tentative budget (unaudited) of the Village.
This Appendix is not itself audited.

CONTINUING DISCLOSURE UNDERTAKING

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

(i) to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("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 May 6, 2021 of the Village relating to the Bonds under the headings "THE VILLAGE", "TAX INFORMATION", "STATUS OF INDEBTEDNESS", "LITIGATION" and all Appendices (other than "APPENDICES – B & C" and other than any 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, 2021, 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 the Village in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the 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.

FORM OF BOND COUNSEL'S OPINION

May 19, 2021

Village of LeRoy
Genesee County,
State of New York

Re: Village of LeRoy, Genesee County, New York
$2,800,000 Public Improvement (Serial) Bonds, 2021

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of $2,800,000 Public Improvement (Serial) Bonds, 2021 (the "Obligations"), of the Village of LeRoy, Genesee County, New York (the "Obligor"), dated May 19, 2021, 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 ____ and _____ hundredths per centum (_____%) per annum as to bonds maturing in each of the years 20__ to 20__, both inclusive, and at the rate of ____ per centum (__%) per annum as to bonds maturing in each of the years 20__ to 20__, both inclusive payable on November 15, 2021 and semi-annually thereafter on May 15 and November 15, and maturing in the amount of $_____ on May 15, 2022, $_____ on May 15, 2023, $_____ on May 15, 2024, $_____on May 15, 2025, $_____on May 15, 2026, $_____on May 15, 2027, $_____on May 15, 2028, $_____on May 15, 2029, $_____on May 15, 2030, $_____on May 15, 2031, $_____on May 15, 2032, $_____on May 15, 2033, $_____on May 15, 2034, $_____on May 15, 2035, and $_____on May 15, 2036.

The Obligations maturing on or before May 15, 2029 shall not be subject to redemption prior to maturity. The Obligations maturing on or after May 15, 2030 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 May 15, 2029 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

VILLAGE OF LEROY
GENESEE COUNTY, NEW YORK

AUDITED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED MAY 31, 2020

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

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.

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May 31, 2020

Lumsden McCormick LLP
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Village of LeRoy, New York

We have audited the accompanying financial statements of the governmental activities, the business-type activity, and each major fund of Village of LeRoy, New York (the Village) as of and for the year ended May 31, 2020, 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.

Auditors' 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. 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 auditors' 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activity, and each major fund of the Village as of May 31, 2020, and the respective changes in financial position, the budgetary comparison for the general fund, and cash flows of the proprietary sewer fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that required supplementary information, as listed in the table of contents, be presented to supplement the financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the 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.

Management's Discussion and Analysis

The Village has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the basic financial statements, is required by GASB, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Lumsden & McCormick, LLP

January 8, 2021

Statement of Net Position

May 31, 2020 (with summarized comparative totals as of May 31, 2019)	2020 Governmental Activities	2020 Business-Type Activity	2020 Total	2019
Assets				
Cash	$ 3,222,262	$ 1,439,994	**$ 4,662,256**	$ 6,154,541
Due from other governments	83,590	-	**83,590**	268,807
Accounts receivable	63,291	263,574	**326,865**	300,086
Due from other funds	5,064	-	**5,064**	5,065
Internal balances	1,156,763	(1,156,763)	**-**	-
Investments	2,009,770	-	**2,009,770**	-
Capital assets (Note 5)	15,014,359	10,714,806	**25,729,165**	25,458,098
Accumulated depreciation	(10,875,650)	(7,481,817)	**(18,357,467)**	(17,910,165)
Total assets	10,679,449	3,779,794	**14,459,243**	14,276,432
Deferred Outflows of Resources				
Deferred outflows of resources related to pensions	1,067,655	91,589	**1,159,244**	357,431
Liabilities				
Accounts payable	76,549	24,991	**101,540**	76,831
Accrued liabilities	49,764	9,746	**59,510**	61,388
Long-term liabilities				
Due within one year				
Bonds	-	-	**-**	150,000
Compensated absences	33,000	4,000	**37,000**	32,000
Due beyond one year				
Compensated absences	293,000	33,000	**326,000**	285,000
Net pension liability	1,585,836	125,823	**1,711,659**	462,422
Total liabilities	2,038,149	197,560	**2,235,709**	1,067,641
Deferred Inflows of Resources				
Deferred inflows of resources related to pensions	190,420	6,483	**196,903**	272,473
Net Position				
Net investment in capital assets	4,138,709	3,232,989	**7,371,698**	7,397,933
Restricted	394,391	297,474	**691,865**	843,365
Unrestricted	4,985,435	136,877	**5,122,312**	5,052,451
Total net position	$ 9,518,535	$ 3,667,340	**$ 13,185,875**	$ 13,293,749

See accompanying notes.

Statement of Activities

For the year ended May 31, 2020
(with summarized comparative totals for May 31, 2019)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue: Governmental Activities	Net (Expense) Revenue: Business-Type Activity	2020	2019
Governmental activities:							
General government support	$ 455,780	$ 54,561	$ 68,971	$ (332,248)	$ -	**$ (332,248)**	$ (306,273)
Public safety	1,391,830	36,868	-	(1,354,962)	-	**(1,354,962)**	(1,186,808)
Health	1,600	-	-	(1,600)	-	**(1,600)**	(1,600)
Transportation	815,248	-	-	(815,248)	-	**(815,248)**	(678,397)
Economic assistance	848	-	-	(848)	-	**(848)**	(751)
Culture and recreation	143,191	20	-	(143,171)	-	**(143,171)**	(40,040)
Home and community service	537,757	-	-	(537,757)	-	**(537,757)**	(444,495)
Interest expense	1,500	-	-	(1,500)	-	**(1,500)**	(3,500)
	3,347,754	91,449	68,971	(3,187,334)	-	**(3,187,334)**	(2,661,864)
Business-type activity:							
Sewer	895,528	900,098	-	-	4,570	**4,570**	941,470
	$ 4,243,282	$ 991,547	$ 68,971	(3,187,334)	4,570	**(3,182,764)**	(1,720,394)
General revenues							
Property, sales, and franchise taxes				2,894,623	-	**2,894,623**	2,974,035
Other				176,445	3,822	**180,267**	27,500
Total general revenues				3,071,068	3,822	**3,074,890**	3,001,535
Change in net position				(116,266)	8,392	**(107,874)**	1,281,141
Net position - beginning				9,634,801	3,658,948	**13,293,749**	12,012,608
Net position - ending				$ 9,518,535	$ 3,667,340	**$ 13,185,875**	$ 13,293,749

See accompanying notes.

Balance Sheet - Governmental Funds

May 31, 2020
(with summarized comparative totals for May 31, 2019)

	General	Capital Projects	Total Governmental Funds 2020	Total Governmental Funds 2019
Assets				
Cash	$ 3,222,262	$ -	**$ 3,222,262**	$ 4,808,527
Due from other governments	14,783	68,807	**83,590**	268,807
Accounts receivable	49,333	13,958	**63,291**	17,699
Due from other funds	1,391,583	-	**1,391,583**	1,258,889
Investments	2,009,770	-	**2,009,770**	-
Total assets	$ 6,687,731	$ 82,765	**$ 6,770,496**	$ 6,353,922
Liabilities and Fund Balances				
Accounts payable	$ 74,714	$ 1,835	**$ 76,549**	$ 71,373
Accrued liabilities	49,764	-	**49,764**	52,099
Due to other funds	-	229,756	**229,756**	97,456
Total liabilities	124,478	231,591	**356,069**	220,928
Fund Balances				
Restricted:				
Capital	13,978	-	**13,978**	13,978
Debt service	-	-	**-**	151,500
Employee benefit accrued liability	170,185	-	**170,185**	170,185
Retirement contribution	210,228	-	**210,228**	210,228
Committed for relevied charges on taxes	10,000	-	**10,000**	10,000
Assigned:				
Designated for subsequent year's expenditures	97,165	-	**97,165**	339,349
Unassigned	6,061,697	(148,826)	**5,912,871**	5,237,754
Total fund balances (deficit)	6,563,253	(148,826)	**6,414,427**	6,132,994
Total liabilities and fund balances	$ 6,687,731	$ 82,765	**$ 6,770,496**	$ 6,353,922

See accompanying notes.

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

May 31, 2020

Total fund balances - governmental funds		$	6,414,427
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.			4,138,709
The Village's proportionate share of the net pension position as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:			
Deferred outflows of resources related to pensions	1,067,655		
Net pension liability	(1,585,836)		
Deferred inflows of resources related to pensions	(190,420)		(708,601)
Compensated absences are not due and payable currently and therefore are not reported as liabilities of the governmental funds.			(326,000)
Net position - governmental activities		$	9,518,535

See accompanying notes.

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

For the year ended May 31, 2020
(with summarized comparative totals for May 31, 2019)

		Capital	Total Governmental Funds	
	General	Projects	2020	2019
Revenues				
Real property taxes	$ 1,942,032	$ -	**$ 1,942,032**	$ 1,845,178
Nonproperty taxes	952,591	-	**952,591**	1,128,857
Departmental income	6,013	-	**6,013**	5,759
Intergovernmental charges	81,730	-	**81,730**	57,489
Use of money and property	15,414	-	**15,414**	7,199
Licenses and permits	420	-	**420**	3,323
Sale of property and compensation for loss	131,639	-	**131,639**	93,845
Miscellaneous local sources	45,812	-	**45,812**	2,988
State sources	68,971	-	**68,971**	188,641
Total revenues	3,244,622	-	**3,244,622**	3,333,279
Expenditures				
General government support	360,445	-	**360,445**	343,165
Public safety	841,894	-	**841,894**	895,190
Health	1,600	-	**1,600**	1,600
Transportation	537,531	-	**537,531**	711,836
Economic assistance	848	-	**848**	751
Culture and recreation	143,191	-	**143,191**	109,489
Home and community service	373,923	125,804	**499,727**	439,609
Employee benefits	426,453	-	**426,453**	468,441
Debt service				
Principal	150,000	-	**150,000**	150,000
Interest	1,500	-	**1,500**	4,500
Total expenditures	2,837,385	125,804	**2,963,189**	3,124,581
Net change in fund balances	407,237	(125,804)	**281,433**	208,698
Fund balances (deficit) - beginning	6,156,016	(23,022)	**6,132,994**	5,924,296
Fund balances (deficit) - ending	$ 6,563,253	$ (148,826)	**$ 6,414,427**	$ 6,132,994

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

May 31, 2020

Total net change in fund balances - governmental funds		$	281,433
Amounts reported for governmental activities in the statement of activities are different because:			
Capital outlays are reported in governmental funds as expenditures. In the statement of activities, the cost of the assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense and disposals exceed capital outlays.			(148,945)
Pension expense is recognized when paid on the fund statement of revenues, expenditures, and changes in fund balances and actuarially determined on the statement of activities. These differences are:			
2020 ERS and PFRS contributions	183,111		
2020 ERS and PFRS accrued contribution	34,465		
2019 ERS and PFRS accrued contribution	(34,237)		
2020 ERS and PFRS net pension expense	(538,093)		(354,754)
Payments of long-term liabilities are reported as expenditures in governmental funds and as a reduction of debt in the statement of net position.			150,000
In the statement of activities, compensated absences are measured by the amount earned during the year. In the governmental funds these expenditures are reported when paid.			(44,000)
Change in net position - governmental activities		$	(116,266)

See accompanying notes.

Statement of Revenues, Expenditures, and Changes in Fund Balance Budget (Non-GAAP) and Actual - General Fund

May 31, 2020

	Budget	Actual (Budgetary Basis)	Variance with Final Budget Over/(Under)
Revenues			
Real property taxes	$ 1,924,292	$ 1,942,032	$ 17,740
Nonproperty taxes	692,000	952,591	260,591
Departmental income	5,900	6,013	113
Intergovernmental charges	76,900	81,730	4,830
Use of money and property	4,000	15,414	11,414
Licenses and permits	3,030	420	(2,610)
Fines and forfeitures	7,600	-	(7,600)
Sale of property and compensation for loss	84,900	131,639	46,739
Miscellaneous local sources	2,600	45,812	43,212
State sources	86,960	68,971	(17,989)
Total revenues	2,888,182	3,244,622	356,440
Expenditures			
General government support	606,715	360,445	(246,270)
Public safety	904,425	841,894	(62,531)
Health	1,600	1,600	-
Transportation	609,477	537,531	(71,946)
Economic assistance	2,500	848	(1,652)
Culture and recreation	179,400	143,191	(36,209)
Home and community service	406,035	373,923	(32,112)
Employee benefits	517,460	426,453	(91,007)
Debt service			
Principal	150,000	150,000	-
Interest	2,519	1,500	(1,019)
Total expenditures	3,380,131	2,837,385	(542,746)
Excess revenues (expenditures)	(491,949)	407,237	899,186
Other financing sources			
Appropriated reserves	152,600	-	(152,600)
Appropriated fund balance	339,349	-	(339,349)
Total other financing sources	491,949	-	(491,949)
Excess revenues and other financing sources	$ -	$ 407,237	$ 407,237

See accompanying notes.

Statement of Proprietary Sewer Fund Net Position

May 31,	2020	2019
Assets		
Current assets		
Cash	$ 1,439,994	$ 1,346,014
Accounts receivable	263,574	282,387
	1,703,568	1,628,401
Capital assets	10,714,806	10,575,381
Accumulated depreciation	(7,481,817)	(7,315,102)
	3,232,989	3,260,279
Total assets	4,936,557	4,888,680
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	91,589	46,625
Liabilities		
Current liabilities		
Accounts payable	24,991	5,458
Accrued liabilities	9,746	9,289
Due to other funds	1,156,763	1,156,368
Current portion of compensated absences	4,000	4,000
Total current liabilities	1,195,500	1,175,115
Noncurrent liabilities		
Compensated absences	33,000	31,000
Net pension liability	125,823	51,501
Total noncurrent liabilities	158,823	82,501
Total liabilities	1,354,323	1,257,616
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	6,483	18,741
Net Position		
Net investment in capital assets	3,232,989	3,260,279
Restricted		
Capital projects	297,474	297,474
Unrestricted	136,877	101,195
Total net position	$ 3,667,340	$ 3,658,948

See accompanying notes.

Statement of Revenues, Expenditures, and Changes in Net Position - Proprietary Sewer Fund

For the years ended May 31,	2020	2019
Operating revenue		
Charges for services	$ 878,226	$ 862,230
Other revenue	21,872	50,156
	900,098	912,386
Operating expenses		
Salaries, wages, and employee benefits	363,228	385,648
Contractual expenses	355,204	387,688
Depreciation	177,096	177,210
Total operating expenses	895,528	950,546
Operating income (loss)	4,570	(38,160)
Nonoperating revenues		
State grants	-	979,630
Interest income	3,822	1,418
Nonoperating revenues	3,822	981,048
Change in net position	8,392	942,888
Net position - beginning	3,658,948	2,716,060
Net position - ending	$ 3,667,340	$ 3,658,948

See accompanying notes.

Statement of Proprietary Sewer Fund Cash Flows

For the years ended May 31,	2020	2019
Cash flows from operating activities:		
Cash received from customers	$ 897,039	$ 890,911
Cash received from others	21,872	50,156
Cash payments for contractual expenses	(288,973)	(378,169)
Cash payments to employees for services	(344,128)	(356,568)
Net operating activities	285,810	206,330
Cash flows from capital and related financing activities:		
State grant proceeds	-	979,630
Purchase of property and equipment	(196,047)	(214,471)
Principal payments on debt	-	(335,000)
Interfund loans	395	-
Net capital and related financing activities	(195,652)	430,159
Cash flows from investing activities:		
Interest income	3,822	1,418
Net change in cash	93,980	637,907
Cash - beginning	1,346,014	708,107
Cash - ending	$ 1,439,994	$ 1,346,014
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	$ 4,570	$ (38,160)
Adjustments to reconcile operating income (loss) to net cash flows provided by operating activities:		
Depreciation	177,096	177,210
Loss on disposal	46,241	77,972
Net pension activity	17,100	14,080
Changes in assets and liabilities:		
Accounts receivable	18,813	28,681
Accounts payable	19,533	(70,060)
Accrued liabilities	457	1,607
Compensated absences	2,000	15,000
Net operating activities	$ 285,810	$ 206,330

See accompanying notes.

Statement of Fiduciary Net Position

May 31, 2020

	Private-Purpose Trusts	Agency
Assets		
Cash and cash equivalents	$ 26,397	$ 696
Cash and cash equivalents - restricted	24,000	-
Total assets	50,397	$ 696
Liabilities		
Other liabilities	1,106	$ -
Due to governmental funds	5,064	-
Agency liabilities	-	696
Total liabilities	6,170	$ 696
Net Position		
Restricted trust fund	$ 44,227	

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VILLAGE OF LEROY, NEW YORK

Statement of Changes in Fiduciary Net Position

For the year ended May 31, 2020

	Private-Purpose Trusts
Additions	
Miscellaneous revenue	$ 267
Net position - beginning	43,960
Net position - ending	$ 44,227

See accompanying notes.

Notes to Financial Statements

1. Summary of Significant Accounting Policies

The financial statements of Village of LeRoy, New York (the Village) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

Financial Reporting Entity

The Village is governed by local laws and ordinances, Village law, General Municipal Law, and other laws of the State of New York (the State). The governing body is the elected Village Board (the Board). The Mayor serves as the chief executive officer and chief fiscal officer. The scope of activities included within the financial statements are those transactions that comprise the Village's operations and are governed by, or significantly influenced by, the Board. The primary functions of the Village are to provide basic services such as governmental administration, tax collection, street maintenance, sewer service, public safety, refuse collection, and recreation.

The financial reporting entity includes all funds, account groups, functions, and organizations over which Village officials exercise oversight responsibility. Oversight responsibility is determined on the basis of financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. The Village has no component units as defined by accounting standards.

Public Entity Risk Pools

The Village participates in the Genesee County Self-Insurance Workers' Compensation Plan, which is a public entity risk pool. This plan is designed to provide workers' compensation coverage for participating entities and is further discussed in Note 8.

Basis of Presentation

Government-Wide Statements: The statement of net position and the statement of activities display financial activities of the overall Village, except for fiduciary activities. Eliminations have been made to minimize double counting of internal activities. These statements are required to distinguish between *governmental* and *business-type* activities of the Village. Governmental activities generally are financed through taxes, franchise fees, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Village's governmental activities.

- Direct expenses are those that are specifically associated with a program or are clearly identifiable to a particular function. Indirect expenses relate to the administration and support of the Village's programs, including personnel, overall administration, and finance. Employee benefits are allocated to functional expenses as a percentage of related payroll expense.
- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and fines and assessments collected for violations of traffic laws or Village ordinances and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Village's funds, including proprietary and fiduciary funds. Separate statements for each fund category – *governmental, proprietary, and fiduciary* - are presented. The emphasis of the fund financial statements is on major governmental funds, each displayed in a separate column.

The Village reports the following major funds:

- *General fund*. This is the Village's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
- *Capital projects fund.* This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The Village reports the following major proprietary fund:

- *Sewer fund.* This fund is used to account for operations and support restricted to the infrastructure and operations of the Village's sewer system and is financed primarily by user charges. This is an enterprise fund reflected as a business-type activity.

The Village reports the following fiduciary funds:

- *Private-purpose trust fund.* These funds account for assets held by the Village in a trustee capacity.
- *Agency fund.* This fund accounts for assets held by the Village as agent for payroll and employee third party withholdings. The agency fund is custodial in nature and does not involve measurement of results of operations.

Basis of Accounting and Measurement Focus

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Village receives value directly without giving equal value in exchange, include property and sales taxes, franchise fees, grants, and donations. Revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Village considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent that they have matured. Capital asset purchases are reported as expenditures in the governmental funds. Proceeds of long-term liabilities and equipment and property purchased under capital leases are reported as other financing sources.

Under the terms of grant agreements, revenues are recognized to the extent of program expenditures. Amounts received in advance of the expenditures are considered unearned and reported as revenue when the expense is incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's ongoing operations. Operating expenses for the proprietary funds include contractual and administrative expenses, personnel costs, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Property Taxes

Real property taxes are levied annually no later than May 15th and become a lien on June 1. Taxes are collected by the Village Tax Collector during the period of June 1 through November 1. Genesee County assumes enforcement responsibility for all unpaid taxes levied by the Village including uncollected sewer charges.

Budget Process, Amendments, and Encumbrances

Annual appropriations are adopted and employed for control of the general and sewer funds. These budgets are adopted on a GAAP basis under the modified accrual (general fund) and accrual (sewer fund) bases of accounting. Appropriations established by the adoption of the budgets constitute a limitation on expenditures/expenses (and encumbrances) which may be incurred. Appropriations authorized for the current year are increased by the planned use of specific restricted, committed, and assigned fund balances, as applicable, and subsequent budget amendments approved by the Board as a result of new revenue sources not included in the original budget.

No later than March 31st of each year, a tentative budget is submitted to the Board for the fiscal year commencing the following June 1. The tentative budget includes both proposed expenditures and the means of financing for all funds requiring a budget. After public hearings are conducted to obtain comments from interested parties, the Board adopts the budget. The Mayor exercises administrative budgetary control throughout the year. All modifications of the budget must be approved by the Board.

Major capital expenditures are subject to individual project budgets determined primarily by the cost of the project and external financing rather than annual appropriations. For the capital projects fund, these budgets do not lapse at year end and are carried over to the completion of the project.

Encumbrance accounting is used to assure budgetary control over commitments related to unperformed (executory) contracts for goods or services outstanding at the end of each year. Encumbrances are budgetary expenditures in the year committed and in the subsequent period when the expenditure is paid. All budget appropriations that are unencumbered lapse at the end of the fiscal year. Encumbrances outstanding at year end are presented for GAAP-related purposes as committed or assigned fund balances and do not constitute expenditures or liabilities. At June 1, encumbrances carried forward from the prior year are reestablished as budgeted appropriations.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and certificates of deposit.

Investments

Investments include certificates of deposit, repurchase agreements, and U.S. Treasury Securities held in external investment pools and recorded at fair value.

Capital Assets

Capital assets including infrastructure are reported at actual or estimated historical cost based on appraisals. Contributed assets are recorded at fair value at the time received. Depreciation is provided in the government-wide and proprietary fund statements over estimated useful lives using the straight-line method. Maintenance and repairs are expensed as incurred; significant improvements are capitalized.

Capitalization thresholds for determining which asset purchases are added to capital accounts and the estimated useful lives of capital assets are:

	Capitalization Policy	Estimated Useful Life in Years
Buildings and improvements	$ 5,000	25 - 50
Infrastructure	$ 5,000	20 - 100
Equipment	$ 5,000	10
Vehicles	$ 5,000	5

Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund financial statements consists of unpaid accumulated sick, compensatory, and vacation time. The liability has been calculated using the vesting method, in which leave amounts for both employees currently eligible to receive payments and other employees expected to become eligible to receive such payments are included. Sick and compensatory pay is accrued on the basis of negotiated contracts with employee groups which provide for the payment of accumulated sick and compensatory time at various amounts at retirement.

The government-wide and proprietary fund financial statements reflect the entire liability, while in the governmental funds financial statements, only the amount of matured liabilities is accrued based on expendable available financial resources.

Pensions

The Village participates in the New York State and Local Retirement System, including the Employees' Retirement System (ERS) and the Police and Fire Retirement System (PFRS), as mandated by State law. ERS and PFRS recognize benefit payments when due and payable in accordance with benefit terms; investment assets are reported at fair value. On the government-wide statements, the Village recognizes its proportionate share of net pension position, deferred outflows and deferred inflows of resources, pension expense, and information about and changes in the fiduciary net position on the same basis as reported by the defined benefit pension plans.

Equity Classifications

Government-Wide Statements

- *Net investment in capital assets* – consists of capital assets, net of accumulated depreciation, reduced by outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or the terms of the Village's bonds.
- *Unrestricted* – the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position and therefore are available for general use by the Village.

Governmental Fund Statements

The Village considers unrestricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, unless the use of the restricted amount was appropriated in the current year's budget or the revenue source is specifically restricted or committed for expenditure. Within unrestricted fund balance, the Village considers committed, assigned, then unassigned resources to have been spent when an expenditure is incurred for which amounts in any of those fund balance classifications could be used.

Restricted fund balances generally result from residual fund balance in special revenue funds and reserves established by the State of New York Legislature and included in General Municipal Law, as authorized for use by the Board. Earnings on invested resources are required to be added to the various reserves.

Fund balance restrictions consist of the following reserves:

- *Capital* – is used to accumulate funds to finance all or a portion of future capital projects for which bonds may be issued.
- *Debt service* – is used to account for proceeds from the sale of property that was financed by obligations still outstanding, interest and earnings on outstanding obligations (including bond premiums), and remaining bond proceeds not needed for their original purpose as required by §165 of Finance Law. This reserve was used in its entirety to pay the debt service obligations for which the original money was generated.
- *Employee benefit accrued liability* – is used to account for the payment of accumulated vacation and sick time due upon termination of an employee's services.
- *Retirement contribution* – is used to finance retirement contributions payable to ERS and PFRS.

Committed fund balances are authorized by the Board as recommended by the Village's management prior to the end of the year, although funding of the commitment may be established subsequent to year end. Assigned fund balances include the planned use of existing fund balance to offset the subsequent year's tax levy. The Board has given management the authority to assign fund balances for specific purposes that are neither restricted nor committed. Nonspendable fund balances represent resources that cannot be spent as they are not expected to be converted to cash.

Interfund Balances

The operations of the Village include transactions between funds including resources for cash flow purposes. These interfund receivables and payables are repaid within one year. Permanent transfers of funds provide financing or other services.

In the government-wide statements, the amounts reported on the statement of net position for interfund receivables and payables represent amounts due between different fund types (governmental and business-type activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to fiduciary funds.

Interfund receivables and payables are netted on the accompanying governmental funds balance sheet as the right of legal offset exists. It is the Village's practice to settle these amounts at the net balances due between funds.

2. Stewardship and Compliance

The capital projects deficit fund balance of $148,826 will be eliminated in subsequent periods when grant proceeds are received and financing is obtained.

3. Cash, Cash Equivalents, and Investments

Cash management is governed by State laws and as established in the Village's written policies. Cash resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. The Village's bank policies permit the Mayor to use demand accounts and certificates of deposit. Invested resources are limited to obligations of the United States Treasury and its Agencies, repurchase agreements, and obligations of the State and its localities.

Collateral is required for demand and time deposits and certificates of deposits not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

Restricted cash and cash equivalents whose use is limited by legal requirements represent amounts required by statute to be reserved for various purposes.

Custodial credit risk is the risk that, in the event of a bank failure, the Village's deposits may not be returned to it. As of May 31, 2020, the Village's bank deposits were fully insured by FDIC coverage or collateralized with securities held by the pledging institutions' agents or in an undivided security interest in pooled assets in the Village's name.

Credit risk is the risk of loss attributed to the magnitude of the Village's investments in a single issuer. The Village's external investment pool is rated AAAm from S&P's Global Ratings.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In order to limit its exposure, the Village's external investment pool limits the maturity dates of its investments. The dollar weighted average days to maturity (WAM) at June 30, 2019, the most recent information available, is 54 days. Next interest rate reset dates for floating rate securities are used in calculation of the WAM. The weighted average life of the pool is 79 days.

4. Interfund Transactions – Fund Financial Statements

Funds	Receivable	Payable
Governmental activities		
General	$ 1,391,583	$ -
Capital projects	-	229,756
Fiduciary activities		
Agency	-	5,064
Business-type activities		
Sewer	-	1,156,763
	$ 1,391,583	$ 1,391,583

Amounts due to the general fund from the capital projects and sewer funds reflect amounts provided for projects that will be repaid when State grant money is received or financing is obtained.

5. Capital Assets

	June 1, 2019	Increases	Retirements/ Reclassifications	May 31, 2020
Governmental activities				
Non-depreciable capital assets:				
Land	$ 142,800	$ -	$ -	$ 142,800
Construction-in-progress	89,179	125,804	-	214,983
Total non-depreciable assets	231,979	125,804	-	357,783
Depreciable capital assets:				
Buildings	1,817,780	-	-	1,817,780
Improvements	110,776	-	-	110,776
Vehicles and equipment	3,009,314	172,471	(166,633)	3,015,152
Infrastructure	9,712,868	-	-	9,712,868
Total depreciable assets	14,650,738	172,471	(166,633)	14,656,576
Less accumulated depreciation:				
Buildings	1,693,358	16,758	-	1,710,116
Improvements	105,131	2,559	-	107,690
Vehicles and equipment	2,096,972	143,374	(23,177)	2,217,169
Infrastructure	6,699,602	141,073	-	6,840,675
Total accumulated depreciation	10,595,063	303,764	(23,177)	10,875,650
Total depreciable assets, net	4,055,675	(131,293)	(143,456)	3,780,926
	$ 4,287,654	$ (5,489)	$ (143,456)	$ 4,138,709

Depreciation expense for governmental activities has been allocated to the following functions: general governmental support $13,289, public safety $35,000, transportation $156,910, and home and community service $98,565.

	June 1, 2019	Increases	Retirements/ Reclassifications	May 31, 2020
Business-type activity (Sewer)				
Non-depreciable capital assets:				
Construction-in-progress	$ 916,580	$ 117,035	$ -	$ 1,033,615
Depreciable capital assets:				
Buildings	7,202,193	-	-	7,202,193
Vehicles and equipment	1,331,923	79,012	(56,622)	1,354,313
Infrastructure	1,124,685	-	-	1,124,685
Total depreciable assets	9,658,801	79,012	(56,622)	9,681,191
Less accumulated depreciation:				
Buildings	5,142,625	153,674	-	5,296,299
Vehicles and equipment	1,216,262	17,680	(10,381)	1,223,561
Infrastructure	956,215	5,742	-	961,957
Total accumulated depreciation	7,315,102	177,096	(10,381)	7,481,817
Total depreciable assets, net	2,343,699	(98,084)	(46,241)	2,199,374
	$ 3,260,279	$ 18,951	$ (46,241)	$ 3,232,989

6. Long-Term Liabilities

	June 1, 2019	Increases	Decreases	May 31, 2020	Amount Due In One Year
Governmental activities					
Serial bonds	$ 150,000	$ -	$ 150,000	$ -	$ -
Compensated absences	282,000	44,000	-	326,000	33,000
	$ 432,000	$ 44,000	$ 150,000	$ 326,000	$ 33,000
Business-type activity (Sewer)					
Compensated absences	$ 35,000	$ 2,000	$ -	$ 37,000	$ 4,000

7. Pension Plans

Plan Descriptions

The Village participates in ERS and PFRS (the Systems), which are cost-sharing, multiple-employer, public employee retirement systems that provide retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law governs obligations of employers and employees to contribute and provide benefits to employees. The Systems issue publicly available financial reports that include financial statements and required supplementary information. Those reports may be obtained from the New York State and Local Retirement System at www.osc.state.ny.us/retire.

Benefits: The Systems provide retirement, disability, and death benefits for eligible members, including automatic cost of living adjustments. In general, retirement benefits are determined based on an employee's individual circumstances using a pension factor, an age factor, and final average salary. The benefits vary depending on the individual's employment tier. Pension factors are determined based on tier and an employee's years of service, among other factors.

Contribution Requirements: No employee contribution is required for those hired prior to July 1976. The Systems require employee contributions of 3% of salary for the first 10 years of service for those employees who joined from July 1976 through December 2009. Participants hired on or after January 1, 2010 through March 31, 2012 are required to contribute 3% of compensation throughout their active membership. Participants hired on or after April 1, 2012 are required to contribute a percentage ranging from 3% to 6% each year, based on their level of compensation. The State Comptroller annually certifies the rates used, expressed as a percentage of the wages of participants, to compute the contributions required to be made by the Village to the pension accumulation fund. For 2020, these rates ranged from 9.3% - 15.8% for ERS and 14.6% - 25.3% for PFRS. A liability to ERS and PFRS of $38,728 is accrued based on the Village's legally required contribution for employee services rendered from April 1 through May 31, 2020.

Net Pension Position, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources

At May 31, 2020, the Village reported a liability of $1,711,659 for its proportionate share of the ERS and PFRS net pension position. The net pension position was measured as of March 31, 2020, and the total pension liability was determined by an actuarial valuation as of April 1, 2019. The Village's proportion of the net pension position was based on the ratio of its actuarially determined employer contribution to ERS's and PFRS's total actuarially determined employer contributions for the fiscal year ended on the measurement date. At the March 31, 2020 measurement date, the Village's proportion was 0.0016291% for ERS, a decrease of 0.0002451, and 0.023953% for PFRS, an increase of 0.0042977.

For the year ended May 31, 2020, the Village recognized pension expense of $580,052 on the government-wide statements. At May 31, 2020, the Village reported deferred outflows and deferred inflows of resources as follows:

	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 25,389	$ -	$ 85,253	$ 21,444
Changes of assumptions	8,686	7,500	109,432	-
Net difference between projected and actual earnings on pension plan investments	221,150	-	576,547	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	44,176	14,726	49,883	153,233
Village contributions subsequent to the measurement date	14,988	-	23,740	-
	$ 314,389	$ 22,226	$ 844,855	$ 174,677

Contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending May 31, 2021. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending May 31,	ERS	PFRS
2021	$ 55,629	$ 118,546
2022	70,128	149,406
2023	85,202	202,993
2024	66,216	172,584
2025	-	2,909
	$ 277,175	$ 646,438

Actuarial Assumptions

The actuarial assumptions used in the April 1, 2019 valuation, with update procedures used to roll forward the total pension liability to March 31, 2020, were based on the results of an actuarial experience study for the period April 1, 2010 to March 31, 2015. These assumptions are:

Inflation – 2.5%
Salary increases – 4.2% (ERS), 5.0% (PFRS)
Cost of living adjustments – 1.3% annually
Investment rate of return – 6.8% compounded annually, net of investment expense, including inflation
Mortality – Society of Actuaries' Scale MP-2018
Discount rate – 6.8%

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

Investment Asset Allocation

Best estimates of arithmetic real rates of return (net of long-term inflation assumptions) for each major asset class and the Systems' target asset allocations as of the valuation date are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	36%	4.1%
Global and international equities	14%	6.2%
Private equities	10%	6.8%
Real estate	10%	5.0%
Inflation-indexed bonds	4%	0.5%
Bonds and mortgages	17%	0.8%
Short-term	1%	-
Other	8%	3.3%-6.0%
	100%	

Discount Rate

The discount rate projection of cash flows assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Systems' combined 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.

The following presents the Village's proportionate share of its net pension position for the Systems calculated using the discount rate of 6.8% and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease	At Current Discount Rate	1.0% Increase
Village's proportionate share of the ERS net pension asset (liability)	$ (791,716)	$ (431,387)	$ (99,522)
Village's proportionate share of the PFRS net pension asset (liability)	$ (2,289,152)	$ (1,280,272)	$ (376,797)

8. Risk Management

General Liability

The Village purchases commercial insurance for various risks of loss due to torts, thefts, damage, errors and omissions, and natural disasters. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three years.

Workers' Compensation Plan

The Village participates in the Genesee County Self-Insurance Workers' Compensation Plan (the Plan) sponsored by Genesee County. The Plan administers a workers' compensation insurance fund pursuant to Article 5 of the Workers' Compensation Law to finance the liability and risk related to workers' compensation claims and to lower the costs of coverage to the participating members. The Plan includes 47 members as of December 31, 2019 (the most recent information available).

The Village has transferred partial risk to the Plan. Plan members pay monthly premium equivalents based upon a pro-rata share of expenditures. All funds received are pooled and administered as a common fund. Plan members could be subjected, however, to pro-rata supplemental assessments in the event that the Plan's assets are not adequate to meet claims. To date, these supplemental assessments have not been required.

The Plan has published its own financial report for the year ended December 31, 2019 which can be obtained from Genesee County Self-Insurance Workers' Compensation Plan, 15 Main Street, Batavia, New York 14020.

9. Risks and Uncertainties

On January 31, 2020, the United States Secretary of Health and Human Services (HHS) declared a public health emergency related to the global spread of coronavirus COVID-19, and a pandemic was declared by the World Health Organization in February 2020. Efforts to fight the widespread disease included limiting or closing many businesses and resulted in a severe disruption of operations for organizations. The extent of the impact of COVID-19 on the Village's operational and financial performance will depend on further developments, including the duration and spread of the outbreak and its impact on state and local governments, including their residents, employees, and vendors, none of which can be predicted.

Required Supplementary Information
Schedule of the Village's Proportionate Share of the Net Pension Position
New York State and Local Employees' Retirement System

As of the measurement date of March 31,	2020	2019	2018	2017	2016	2015
Village's proportion of the net pension position	0.0016291%	0.0018742%	0.0017585%	0.0018750%	0.0017186%	0.0019947%
Village's proportionate share of the ERS net pension liability	$ (431,387)	$ (132,790)	$ (56,756)	$ (176,179)	$ (275,836)	$ (67,387)
Village's covered payroll	$ 624,513	$ 581,098	$ 577,647	$ 632,856	$ 617,308	$ 588,866
Village's proportionate share of the net pension position as a percentage of its covered payroll	69.08%	22.85%	9.83%	27.84%	44.68%	11.44%
Plan fiduciary net position as a percentage of the total pension liability	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

The following is a summary of changes of assumptions:

Inflation	2.5%	2.5%	2.5%	2.5%	2.5%	2.7%
Salary increases	4.2%	4.2%	3.8%	3.8%	3.8%	4.9%
Cost of living adjustments	1.3%	1.3%	1.3%	1.3%	1.3%	1.4%
Investment rate of return	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Discount rate	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Society of Actuaries' mortality scale	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014	MP-2014

Data prior to 2015 is unavailable.

Required Supplementary Information
Schedule of Village Contributions
New York State and Local Employees' Retirement System

For the years ended May 31,	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 88,559	$ 84,184	$ 88,953	$ 97,964	$ 121,334	$ 125,166	$ 131,672
Contribution in relation to the contractually required contribution	(88,559)	(84,184)	(88,953)	(97,964)	(121,334)	(125,166)	(131,672)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Village's covered payroll	$ 624,513	$ 581,098	$ 577,647	$ 632,856	$ 617,308	$ 588,866	$ 571,897
Contributions as a percentage of covered payroll	14.18%	14.49%	15.40%	15.48%	19.66%	21.26%	23.02%

Data prior to 2014 is unavailable.

Required Supplementary Information
Schedule of the Village's Proportionate Share of the Net Pension Position
New York State and Local Police and Fire Retirement System

As of the measurement date of March 31,	2020	2019	2018	2017	2016	2015
Village's proportion of the net pension position	0.0239530%	0.0196553%	0.0206364%	0.0191202%	0.0252294%	0.0191630%
Village's proportionate share of the PFRS net pension liability	$ (1,280,272)	$ (329,632)	$ (208,584)	$ (396,296)	$ (746,988)	$ (52,748)
Village's covered payroll	$ 636,452	$ 702,424	$ 592,446	$ 620,193	$ 579,720	$ 702,858
Village's proportionate share of the net pension position as a percentage of its covered payroll	201.16%	46.93%	35.21%	63.90%	128.85%	7.50%
Plan fiduciary net position as a percentage of the total pension liability	84.86%	95.09%	96.93%	93.50%	90.20%	99.00%

The following is a summary of changes of assumptions:

Inflation	2.5%	2.5%	2.5%	2.5%	2.5%	2.7%
Salary increases	5.0%	5.0%	4.5%	4.5%	4.5%	4.9%
Cost of living adjustments	1.3%	1.3%	1.3%	1.3%	1.3%	1.4%
Investment rate of return	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Discount rate	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Society of Actuaries' mortality scale	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014	MP-2014

Data prior to 2015 is unavailable.

Required Supplementary Information
Schedule of Village Contributions
New York State and Local Police and Fire Retirement System

For the years ended May 31,	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 120,382	$ 141,799	$ 132,704	$ 134,989	$ 101,351	$ 156,083	$ 191,175
Contribution in relation to the contractually required contribution	(120,382)	(141,799)	(132,704)	(134,989)	(101,351)	(156,083)	(191,175)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Village's covered payroll	$ 636,452	$ 702,424	$ 592,446	$ 620,193	$ 579,720	$ 702,858	$ 657,480
Contributions as a percentage of covered payroll	18.91%	20.19%	22.40%	21.77%	17.48%	22.21%	29.08%

Data prior to 2014 is unavailable.