PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 24, 2019

SERIAL BONDS
BOOK-ENTRY-ONLY BONDS

RATING – S&P GLOBAL RATINGS: "   "
See "Bond Rating", herein

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Village, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code. In addition, in the opinion of Bond Counsel to the Village, under existing statutes, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivision, including The City of New York. See "TAX MATTERS" herein.

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

VILLAGE OF AMITYVILLE
SUFFOLK COUNTY, NEW YORK
(the "Village")

$2,000,000* PUBLIC IMPROVEMENT SERIAL BONDS – 2019 SERIES A
(the "Series A Bonds")

$2,060,000* PUBLIC IMPROVEMENT REFUNDING SERIAL BONDS – 2019 SERIES B
(the "Series B Bonds", and together with the Series A Bonds, the "Bonds")

Dated: Date of Delivery | **Principal and Interest Due: As shown on inside cover**

SEE BOND MATURITY SCHEDULE HEREIN

The Bonds are general obligations of the Village of Amityville, Suffolk County, New York (the "Village"), and will contain a pledge of the faith and credit of the Village for the payment of the principal thereof and interest thereon and, unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied upon all the taxable real property within the Village, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended (the "Tax Levy Limit Law"). (See "*Tax Levy Limit Law*" herein).

The Series A Bonds maturing on November 15, 2027 and thereafter are subject to redemption prior to maturity, at the option of the Village, on any date on or after November 15, 2026, in accordance with terms described herein. The Series B Bonds are not subject to redemption prior to maturity. (See "*Optional Redemption of the Series A Bonds*" and "*Optional Redemption of the Series B Bonds*", herein).

At the option of the purchaser, the Bonds may be either (i) registered in the name of the purchaser or (ii) registered in the name of Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC") as book-entry bonds.

If the Bonds are registered in the name of the purchaser, a single bond certificate shall be issued for each maturity and principal of and interest on such Bonds will be payable in Federal Funds by the Village, at such bank or trust company located and authorized to do business in the State of New York as selected by the successful bidders.

The Bonds issued in book-entry form will be registered in the name of Cede & Co., as the partnership nominee for DTC, which will act as securities depository for the Bonds. Beneficial owners will not receive certificates representing their interest in the Bonds. Individual purchases may be made in denominations of $5,000 or integral multiples thereof. A single bond certificate will be issued for each maturity of the Bonds. Principal of and interest on said Bonds will be paid in Federal Funds by the Village to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its Participants (as herein after defined) for subsequent distribution to the beneficial owners of the Bonds as described herein. Transfer of principal and interest payments to Beneficial Owners (as hereinafter defined) by Participants of DTC will be the responsibility of such Participants and other nominees of Beneficial Owners. The Village will not be responsible or liable for payments by DTC to its Participants or by Direct Participants (as hereinafter defined) to Beneficial Owners or for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants. (See "*DESCRIPTION OF BOOK-ENTRY SYSTEM*", herein).

Sealed bids for the Bonds will be received at 11:00 A.M. (Prevailing Time) on November 6, 2019, in accordance with the Notices of Sale dated October 24, 2019.

The Bonds are offered subject to the respective final approving opinions of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel to the Village, and certain other conditions. It is expected that delivery of the Series A Bonds and the Series B Bonds in book-entry form will be made through the facilities of DTC on or about November 20, 2019, in New York, New York.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM "DEEMED FINAL" BY THE VILLAGE FOR THE PURPOSE OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"). FOR A DESCRIPTION OF THE VILLAGE'S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE BONDS, AS DESCRIBED IN THE RULE, SEE "DISCLOSURE UNDERTAKING" HEREIN.

, 2019

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*Preliminary, subject to change.

VILLAGE OF AMITYVILLE
SUFFOLK COUNTY, NEW YORK

$2,000,000* PUBLIC IMPROVEMENT SERIAL BONDS – 2019 SERIES A

BOND MATURITY SCHEDULE

Principal Due: **November 15, 2020-2034 inclusive**
Interest Due: **November 15, 2020, and semi-annually thereafter on May 15 and November 15 in each year to maturity**

Year	Amount**	Rate	Yield or Price	CUSIP #
November 15, 2020	$ 85,000			
November 15, 2021	115,000			
November 15, 2022	115,000			
November 15, 2023	120,000			
November 15, 2024	125,000			
November 15, 2025	125,000			
November 15, 2026	130,000			
November 15, 2027	135,000***			
November 15, 2028	140,000***			
November 15, 2029	140,000***			
November 15, 2030	145,000***			
November 15, 2031	150,000***			
November 15, 2032	155,000***			
November 15, 2033	160,000***			
November 15, 2034	160,000***			

*Preliminary, subject to change.
**Amounts are subject to adjustment by the Village following the sale, pursuant to the terms of the Notice of Sale relating to the Series A Bonds, to achieve substantial level or declining annual debt service as provided in Section 58.00 (c)(2) of the Local Finance Law.
***Subject to prior redemption.

$2,060,000* PUBLIC IMPROVEMENT REFUNDING SERIAL BONDS – 2019 SERIES B

BOND MATURITY SCHEDULE

Principal Due: **August 1, 2020-2027 inclusive**
Interest Due: **February 1, 2020, August 1, 2020 and semi-annually thereafter on February 1 and August 1 in each year to maturity**

Year	Amount**	Rate	Yield or Price	CUSIP #
August 1, 2020	$ 290,000			
August 1, 2021	285,000			
August 1, 2022	275,000			
August 1, 2023	275,000			
August 1, 2024	270,000			
August 1, 2025	260,000			
August 1, 2026	260,000			
August 1, 2027	145,000			

*Preliminary, subject to change.
**Amounts are subject to adjustment by the Village following the sale, pursuant to the terms of the Notice of Sale relating to the Series B Bonds, to achieve substantial level or declining annual debt service as provided in Section 58.00 (c)(2) of the Local Finance Law and to effectuate the Village's plan of refunding.

VILLAGE OF AMITYVILLE
SUFFOLK COUNTY, NEW YORK

Village Hall
21 Ireland Place
Amityville, New York 11701
Telephone: (631) 264-2810
Fax (631) 598-0363

TOWN BOARD

Dennis M. Siry, Mayor
Kevin P. Smith, Deputy Mayor

Jessica T. Bernius
Thomas Whalen
Michael O'Neill

Catherine Murdock, Village Clerk/Treasurer
Tiffany Ladd, Deputy Treasurer

* * *

Bond Counsel

Hawkins Delafield & Wood LLP
New York, New York

* * *

Prepared with the Assistance of

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No dealer, broker, salesman or other person has been authorized by the Village to give any information or to make any representations, other than those contained in this Official Statement and if given or made, such other information or representations must not be relied upon as having been authorized by the Village. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Village from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness. The information 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 since the date hereof.

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OFFICIAL STATEMENT

VILLAGE OF AMITYVILLE
SUFFOLK COUNTY, NEW YORK

$2,000,000* PUBLIC IMPROVEMENT SERIAL BONDS – 2019 SERIES A
AND
$2,060,000* PUBLIC IMPROVEMENT REFUNDING SERIAL BONDS – 2019 SERIES B

[BOOK-ENTRY-ONLY BONDS]

This Official Statement and the appendices hereto present certain information relating to the Village of Amityville, in the County of Suffolk, in the State of New York (the "Village," "County" and "State," respectively) in connection with the sale of $2,000,000* Public Improvement Serial Bonds – 2019 Series A (the "Series A Bonds") and $2,060,000 Public Improvement Refunding Serial Bonds – 2019 Series B (the "Series B Bonds") of the Village. The Series A and Series B Bonds are collectively referred to herein as the "Bonds".

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

THE SERIES A BONDS

Description of the Series A Bonds

The Series A Bonds will be dated November 20, 2019 and will mature on November 15, in each of the years 2020 to 2034, inclusive, in the principal amounts as set forth on the inside cover page hereof.

At the option of the purchaser, the Series A Bonds may be either (i) registered in the name of the purchaser or (ii) registered in the name of Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC") as book-entry bonds.

If the Series A Bonds are registered in the name of the purchaser, a single bond certificate shall be issued for each maturity and principal of and interest on such Series A Bonds will be payable in Federal Funds by the Village, at such bank or trust company located and authorized to do business in the State of New York as selected by the successful bidders.

The Series A Bonds issued in book-entry form will be registered in the name of Cede & Co., as the partnership nominee for DTC, which will act as securities depository for the Series A Bonds. Beneficial owners will not receive certificates representing their interest in the Series A Bonds. Individual purchases may be made in denominations of $5,000 or integral multiples thereof. A single bond certificate will be issued for each maturity of the Series A Bonds. Principal of and interest on said Series A Bonds will be paid in Federal Funds by the Village to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its Participants (as herein after defined) for subsequent distribution to the beneficial owners of the Series A Bonds as described herein. Transfer of principal and interest payments to Beneficial Owners (as hereinafter defined) by Participants of DTC will be the responsibility of such Participants and other nominees of Beneficial Owners. The Village will not be responsible or liable for payments by DTC to its Participants or by Direct Participants (as hereinafter defined) to Beneficial Owners or for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants. (See "*DESCRIPTION OF BOOK-ENTRY SYSTEM*", herein).

The Record Date of the Series A Bonds will be the last business day of the month preceding each interest payment date.

The Village Treasurer will act as Fiscal Agent for the Series A Bonds. Paying agent fees, if any, will be paid by the purchaser. The Village's contact information is as follows: Catherine Murdock, Village Clerk/Treasurer, Village of Amityville, Village Hall, 21 Ireland Place, Amityville, New York 11701, Phone (631) 264-2810, Fax (631) 598-0363 and email: cmurdock@amityville.com.

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*Preliminary, subject to change.

Optional Redemption of the Series A Bonds

The Series A Bonds maturing on or before November 15, 2026 will not be subject to redemption prior to maturity. The Series A Bonds maturing on November 15, 2027 and thereafter, will be subject to redemption prior to maturity, at the option of the Village, in whole or in part, and if in part, in any order of their maturity and in any amount within a maturity (selected by lot within a maturity), on any date on or after November 15, 2026, at a redemption price equal to the principal amount of the Bonds to be redeemed plus accrued interest to the date of redemption.

The Village may select the maturities of the Bonds to be redeemed and the amount to be redeemed of each maturity selected, as the Village shall determine to be in the best interest of the Village at the time of such redemption. If less than all of the Bonds of any maturity are to be redeemed prior to maturity, 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.

Notice of such call for redemption shall be given by mailing such notice to the registered owner at least thirty (30) days prior to the date set for such redemption. 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. Interest shall cease to be paid thereon after such redemption date.

Authorization and Purpose of the Series A Bonds

The Series A Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Local Finance Law, and a bond resolution duly adopted by the Village Board of Trustees, authorizing the following purpose:

Date of Authorization	Purpose	Amount to be Issued
09/09/19	Road Improvements	$ 2,000,000

THE SERIES B BONDS

Description of the Series B Bonds

The Series B Bonds will be dated November 20, 2019 and will mature on August 1, in each of the years 2020 to 2027, inclusive, in the principal amounts as set forth on the inside cover page hereof.

At the option of the purchaser, the Series B Bonds may be either (i) registered in the name of the purchaser or (ii) registered in the name of Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York (“DTC”) as book-entry bonds.

If the Series B Bonds are registered in the name of the purchaser, a single bond certificate shall be issued for each maturity and principal of and interest on such Series B Bonds will be payable in Federal Funds by the Village, at such bank or trust company located and authorized to do business in the State of New York as selected by the successful bidders.

The Series B Bonds issued in book-entry form will be registered in the name of Cede & Co., as the partnership nominee for DTC, which will act as securities depository for the Series B Bonds. Beneficial owners will not receive certificates representing their interest in the Series B Bonds. Individual purchases may be made in denominations of $5,000 or integral multiples thereof. A single bond certificate will be issued for each maturity of the Series B Bonds. Principal of and interest on said Series B Bonds will be paid in Federal Funds by the Village to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its Participants (as herein after defined) for subsequent distribution to the beneficial owners of the Series B Bonds as described herein. Transfer of principal and interest payments to Beneficial Owners (as hereinafter defined) by Participants of DTC will be the responsibility of such Participants and other nominees of Beneficial Owners. The Village will not be responsible or liable for payments by DTC to its Participants or by Direct Participants (as hereinafter defined) to Beneficial Owners or for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants. (See "*DESCRIPTION OF BOOK-ENTRY SYSTEM*", herein).

The Record Date of the Series B Bonds will be the fifteenth business day of the month preceding each interest payment date.

The Village Treasurer will act as Fiscal Agent for the Series B Bonds. Paying agent fees, if any, will be paid by the purchaser. The Village's contact information is as follows: Catherine Murdock, Village Clerk/Treasurer, Village of Amityville, Village Hall, 21 Ireland Place, Amityville, New York 11701, Phone (631) 264-2810, Fax (631) 598-0363 and email: cmurdock@amityville.com.

Optional Redemption of the Series B Bonds

The Series B Bonds will not be subject to redemption prior to maturity.

Authorization and Purpose of the Series B Bonds

The Series B Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Local Finance Law, and a refunding bond resolution duly adopted by the Village Board of Trustees on November 14, 2016, (the "Refunding Bond Resolution"), authorizing the refunding of all or a part of the Public Improvement Serial Bonds – 2007 and all or a part of the Public Improvement Serial Bonds - 2008. The amounts expected to be refunded are set forth below:

Summary of Refunded Bonds
(the "Refunded Bonds")

Public Improvements Serial Bonds-2007 Maturity Date	Amount to Be Refunded	Interest Rate	Date of Redemption	Call Price	CUSIP Numbers
08/01/2020	$ 110,000	4.000%	12/20/2019	100.00%	031627GE6
08/01/2021	110,000	4.000	12/20/2019	100.00	031627GF3
08/01/2022	110,000	4.000	12/20/2019	100.00	031627GG1
08/01/2023	110,000	4.000	12/20/2019	100.00	031627GH9
08/01/2024	110,000	4.000	12/20/2019	100.00	031627GJ5
08/01/2025	110,000	4.000	12/20/2019	100.00	031627GK2
08/01/2026	110,000	4.000	12/20/2019	100.00	031627GL0
Subtotal:	$770,000				

Public Improvements Serial Bonds-2008 Maturity Date	Amount to Be Refunded	Interest Rate	Date of Redemption	Call Price	CUSIP Numbers
02/01/2021	$ 150,000	4.125%	12/20/2019	100.00%	031627GZ9
02/01/2022	150,000	4.125	12/20/2019	100.00	031627HA3
02/01/2023	150,000	4.125	12/20/2019	100.00	031627HB1
02/01/2024	150,000	4.250	12/20/2019	100.00	031627HC9
02/01/2025	150,000	4.250	12/20/2019	100.00	031627HD7
02/01/2026	150,000	4.250	12/20/2019	100.00	031627HE5
02/01/2027	150,000	4.250	12/20/2019	100.00	031627HF2
02/01/2028	150,000	4.250	12/20/2019	100.00	031627HG0
Subtotal:	$1,200,000				

Refunding Financial Plan

Pursuant to the Village's Refunding Financial Plan, as referred to in the Refunding Bond Resolution, the Series B Bonds are being issued to effect the refunding of the Refunded Bonds maturing on their respective principal payment dates as set forth herein. The Refunding Financial Plan will permit the Village to realize, as a result of the issuance of the Series B Bonds, cumulative dollar and present-value debt service savings.

The net proceeds of the Series B Bonds (after payment of the underwriting fee and other costs of issuance relating to the Series B Bonds), will be used to purchase non–callable, direct obligations of or obligations guaranteed by the United States of America (the "Government Obligations") which, together with remaining cash proceeds from the sale of the Series B Bonds, will be placed in an irrevocable trust fund (the "Escrow Fund") to be held by U.S. Bank (the "Escrow Holder"), a bank located and authorized to do business in the State, pursuant to the terms of an escrow contract by and between the Village and the Escrow Holder, dated as of the delivery date of the Series B Bonds (the "Escrow Contract"). The Government Obligations so deposited will mature in amounts which, together with the cash so deposited, will be sufficient to pay the principal of, interest on and applicable redemption premiums, if any, of the Refunded Bonds on the dates of their redemption. The Refunding Plan requires the Escrow Holder, pursuant to the Refunding Bond Resolution of the Village and Escrow Contract, to pay the Refunded Bonds at maturity or at the earliest date on which the Refunded Bonds may be called for redemption prior to maturity.

The holders of the Refunded Bonds will have a first lien on all cash on deposit in the Escrow Fund. Upon payment by the Escrow Holder to the fiscal agent for the Refunded Bonds of amounts from the Escrow Fund adequate for the payment, in full, of the Refunded Bonds to be paid from the Escrow Fund, including interest and redemption premium, if any, payable with respect thereto, and payment of all expenses incidental to the issuance of the Series B Bonds, such Escrow Contract shall terminate.

Under the Refunding Financial Plan, the Refunded Bonds will continue to be general obligations of the Village and will continue to be payable from *ad valorem* taxes on all taxable real property in the Village. However, inasmuch as the funds held in the Escrow Fund together with interest earnings thereon and cash held in the Escrow Fund shall be sufficient to meet all required payments of principal of, interest on the premium payable with respect to the Refunded Bonds, it is not anticipated that other sources of payment will be utilized.

Sources and Uses of Bond Proceeds

Sources:	
Par Amount of Bonds	
Original Issue Premium	
Total	
Uses:	
Escrow Deposit	
Underwriter's Discount	
Allowance for Costs of Issuance and Contingency	
Total	

DESCRIPTION OF BOOK-ENTRY SYSTEM

DTC will act as Securities Depository for the Bonds issued as book-entry bonds. Such Bonds will be issued as fully registered securities, in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for each maturity of the Bonds and deposited with DTC.

DTC is 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 facilities 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 certificates.

Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated 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") and together with Direct Participant, the ("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 and www.dtc.org.

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 or Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 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 the Bonds with DTC and their registration in the name of Cede & Co., or such other DTC nominee do not affect 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 accounts of their holdings on behalf of their customers.

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

Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to the Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 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 issuer 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 the 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 the payable date, in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee) or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village, disbursement of such payments to Direct Participants will be the responsibility of DTC), and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Source: The Depository Trust Company, New York, New York.

The information contained in the above section concerning DTC and DTC's book-entry system has been obtained from sample offering document language supplied by DTC, but the Village takes no responsibility for the accuracy thereof.

THE VILLAGE WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY PARTICIPANTS, OR ANY INDIRECT PARTICIPANT; (II) THE PAYMENT BY DTC OR ANY PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF OR INTEREST ON THE BONDS; (III) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO HOLDERS; (IV) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER.

THE VILLAGE CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC WILL DISTRIBUTE TO DIRECT PARTICIPANTS OR THAT DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (I) PAYMENTS OF THE PRINCIPAL OF OR INTEREST ON THE BONDS; (II) CONFIRMATION OF THEIR OWNERSHIP INTEREST IN THE BONDS; OR (III) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO. AS NOMINEE, AS REGISTERED OWNER OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SO SERVE AND ACT IN THE MANNER DESCRIBED IN THE OFFICIAL STATEMENT.

CERTIFICATED BONDS

Principal of and interest on Bonds that are registered in the name of the purchaser will be payable in lawful money of the United States of America (Federal Funds) at such bank or trust company located and authorized to do business in the State of New York as may be selected by the successful bidder.

If the Bonds are issued as book-entry bonds registered in the name of Cede & Co., 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 transfers through DTC at any time. In the event that such book-entry system is discontinued, the following provisions will apply: The Bonds will be registered in denominations of $5,000, or integral multiples thereof. Principal of and interest on the Bonds when due will be payable at the principal corporate trust office of a bank or trust company to be named by the Village as the fiscal agent. Certificated Bonds may be transferred or exchanged at no cost to the owner of such Bonds at any time prior to maturity at the corporate trust office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the certificate of the Clerk-Treasurer authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law.

NATURE OF OBLIGATION

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

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. For the payment of such principal and interest, the Village has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the Village, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. (See "*Tax Levy Limit 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 the State is specifically precluded from restricting the power of the Village to levy taxes on real estate therefor. However, Chapter 97 of the New York Laws of 2011, as amended (the "Tax Levy Limit Law"), imposes a limitation upon the Village's power to increase its annual tax levy. As a result, the power of the Village to levy real estate taxes on all the taxable real property within the Village is subject to statutory limitations set forth in Tax Levy Limit Law, unless the Village complies with certain procedural requirements to permit the Village to levy certain year-to-year increases in real property taxes. (See *"Tax Levy Limit Law,"* herein).

MARKET MATTERS AFFECTING FINANCINGS OF THE MUNICIPALITIES OF THE STATE

There are certain potential risks associated with an investment in the Bonds, and investors should be thoroughly familiar with this Official Statement, including its appendices, in order to make an informed investment decision. Investors should consider, in particular, the following factors:

The Village's credit rating could be affected by circumstances beyond the Village's control. Economic conditions such as the rate of unemployment and inflation, termination of commercial operations by corporate taxpayers and employers, as well as natural catastrophes, could adversely affect the assessed valuation of Village property and its ability to maintain fund balances and other statistical indices commensurate with its current credit rating. As a consequence, a decline in the Village's credit rating could adversely affect the market value of the Bonds.

If and when an owner of any of the Bonds should elect to sell a Bond prior to its maturity, there can be no assurance that a market will have been established, maintained and continue in existence for the purchase and sale of any of those Bonds. The market value of the Bonds is dependent upon the ability of the holder to potentially incur a capital loss if such Bond is sold prior to its maturity.

There can be no assurance that adverse events including, for example, the seeking by another municipality in the State or elsewhere of remedies pursuant to the Federal Bankruptcy Act or otherwise, will not occur which might affect the market price of and the market for the Bonds. In particular, if a significant default or other financial crisis should occur in the affairs of the State or any of its municipalities, public authorities or other political subdivisions, thereby possibly further impairing the acceptability of obligations issued by those entities, both the ability of the Village to arrange for additional borrowing(s) as well as the market for and market value of outstanding debt obligations, including the Bonds, could be adversely affected.

The Village is dependent in part upon financial assistance from the State in the form of State aid as well as grants and loans to be received ("State Aid"). The Village's receipt of State aid may be delayed as a result of the State's failure to adopt its budget timely and/or to appropriate State Aid to municipalities and school districts. Should the Village fail to receive all or a portion of the amounts of State Aid expected to be received from the State in the amounts and at the times anticipated, occasioned by a delay in the payment of such moneys or by a reduction in State Aid or its elimination, the Village is authorized pursuant to the Local Finance Law ("LFL") to provide operating funds by borrowing in anticipation of the receipt of such uncollected State Aid, however, there can be no assurance that, in such event, the Village will have market access for any such borrowing on a cost effective basis. 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. (See also "*State Aid*" herein.)

Future amendments to applicable statutes whether enacted by the State or the United States of America affecting the treatment of interest paid on municipal obligations, including the Bonds, for income taxation purposes could have an adverse effect on the market value of the Bonds (see "*Tax Matters*" herein).

The enactment of the Tax Levy Limit Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the Village, without providing an exclusion for debt service on obligations issued by municipalities and fire districts, including the Village, may affect the market price and/or marketability for the Bonds. (See "*Tax Levy Limit Law*" herein.)

Federal or State legislation imposing new or increased mandatory expenditures by municipalities, school districts and fire districts in the State, including the Village could impair the financial condition of such entities, including the Village and the ability of such entities, including the Village, to pay debt service on the Bonds.

REMEDIES UPON DEFAULT

Neither the Bonds, nor the proceedings with respect thereto, specifically provide any remedies which would be available to owners of the Bonds should the Village default in the payment of principal of or interest on the Bonds, nor do they contain any provisions for the appointment of a trustee to enforce the interests of the owners of the Bonds upon the occurrence of any such default. Each Bond is a general obligation contract between the Village and the owners for which the faith and credit of the Village are pledged and while remedies for enforcement of payment are not expressly included in the Village's contract with such owners, any permanent repeal by statute or constitutional amendment of a bond or note holder's remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

Upon default in the payment of principal of or interest on the Bonds, at the suit of the owner, a Court has the power, in proper and appropriate proceedings, to render judgment against the Village. The present statute limits interest on the amount adjudged due to contract creditors to nine per centum per annum from the date due to the date of payment. 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. A Court also has the power, in proper and appropriate proceedings, to order payment of a judgment on such Bonds from funds lawfully available therefor or, in the absence thereof, to order the Village to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising its discretion as to whether to issue such an order, the Court may take into account all relevant factors, including the current operating needs of the Village and the availability and adequacy of other remedies. Upon any default in the payment of the principal of or interest on a Bond, the owner of such Bond could, among other remedies, seek to obtain a writ of mandamus from a Court ordering the governing body of the Village to assess, levy and collect an *ad valorem* tax, upon all taxable property of the Village subject to taxation by the Village, sufficient to pay the principal of and interest on the Bonds as the same shall come due and payable (and interest from the due date to date of payment) and otherwise to observe the covenants contained in the Bonds and the proceedings with respect thereto all of which are included in the contract with the owners of the Bonds. The mandamus remedy, however, may be impracticable and difficult to enforce. Further, the right to enforce payment of the principal of or interest on the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws and equitable principles, which may limit the specific enforcement of certain remedies.

In 1976, the New York Court of Appeals, the State's highest court, held in *Flushing National Bank* v. *Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), that the New York State legislation purporting to postpone the payment of debt service on New York City obligations was an unconstitutional moratorium in violation of the New York State constitutional faith and credit mandate included in all municipal debt obligations. While that case can be viewed as a precedent for protecting the remedies of holders of bonds or notes of the Village, there can be no assurance as to what a Court may determine with respect to future events, including financial crises as they may occur in the State and in municipalities of the State, that require the exercise by the State of its emergency and police powers to assure the continuation of essential public services. (See also, *Flushing National Bank* v. *Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 1088 (1977), where the Court of Appeals described the pledge as a direct Constitutional mandate.)

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the Village.

Pursuant to Article VIII, Section 2 of the State Constitution, the Village is required to provide an annual appropriation of monies for the payment of due and payable principal of and interest on indebtedness. Specifically, this constitutional provision states: "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. In *Quirk* v. *Municipal Assistance Corp.*, 41 N.Y.2d 644 (1977), the Court of Appeals described this as a "first lien" on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in the State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy, to pay debt service on such obligations, but that such pledge may or may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues. The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

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

In prior years, certain events and legislation affecting a holder's remedies upon default have resulted in litigation. While courts of final jurisdiction have generally upheld and sustained the rights of holders of bonds or notes, such courts might hold that future events, including a financial crisis as such may occur in the State or in political subdivisions of the State, may 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.

MUNICIPAL BANKRUPTCY

The undertakings of the Village should be considered with reference, specifically, to Chapter IX of the Bankruptcy Act, 11 U.S.C. §401, et seq., as amended ("Chapter IX") and, in general, to other bankruptcy laws affecting creditors' rights and municipalities. Chapter IX permits any political subdivision, public agency or instrumentality that is insolvent or unable to meet its debts (i) to file a petition in a Court of Bankruptcy for the purpose of effecting a plan to adjust its debts provided such entity is authorized to do so by applicable state law; (ii) directs such a petitioner to file with the court a list of a petitioner's creditors; (iii) provides that a petition filed under such chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; (iv) grants priority to debt owed for services or material actually provided within three (3) months of the filing of the petition; (v) directs a petitioner to file a plan for the adjustment of its debts; and (vi) provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds (2/3) in amount or more than one-half (1/2) in number of the listed creditors.

Bankruptcy proceedings by the Village could have adverse effects on holders of bonds or notes including (a) delay in the enforcement of their remedies, (b) subordination of their claims to those supplying goods and services to the Village after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings and (c) imposition without their consent of a reorganization plan reducing or delaying payment of the Bonds. The Bankruptcy Code contains provisions intended to ensure that, in any reorganization plan not accepted by at least a majority of a class of creditors such as the holders of general obligation bonds, such creditors will have the benefit of their original claim or the "indubitable equivalent". The effect of these and other provisions of the Bankruptcy Code cannot be predicted and may be significantly affected by judicial interpretation.

Accordingly, enforceability of the rights and remedies of the owners of the Bonds, and the obligations incurred by the Village, may become subject to Chapter IX and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against public agencies in the State. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Bonds to judicial discretion, interpretation and of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

The State has consented (see Title 6-A of the Local Finance Law) that any municipality in the State may file a petition with any 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. However, it is noted that there is no record of any recent filings by a New York municipality. Since the New York City fiscal crisis in 1975, the State has legislated a financial control or review board and assistance corporations to monitor and restructure finance matters in addition to New York City, for the Cities of Yonkers, Troy and Buffalo and for the Counties of Nassau and Erie. Similar active intervention pursuant to State legislation to relieve fiscal stress for the Village in the future cannot be assured.

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 above references to the Bankruptcy Act are not to be construed as an indication that the Village is currently considering or expects to resort to the provisions of the Bankruptcy Act.

Financial Control Boards

Pursuant to Article IX Section 2(b)(2) of the State Constitution, any municipality 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 in certain cases approve or disapprove collective bargaining agreements. Implementation is generally 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, upon the issuance of a certificate of necessity by the Governor reciting facts which in the judgment of the 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 a 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 in the finances and operations of entities 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 applied to the FRB and does not reasonably anticipate submission of a request to the FRB for a comprehensive review of its finances and operations. School districts and fire districts are not eligible for FRB assistance.

No Past Due Debt

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

THE VILLAGE OF AMITYVILLE

General Information

The Village is located on the south shore of Long Island, in the Town of Babylon (the "Town"), bordered on the south by the Great South Bay, on the north by an unincorporated portion of Amityville, and on the east and west, respectively, by the unincorporated communities of Copiague and Massapequa. The Village was incorporated in 1894, encompasses approximately 3.5 square miles and has a current population of 9,513 (US Census 2017). It is primarily residential in character with some commercial activity. Residential development consists of both single family homes and multi-family dwellings. Commercial activity is centered around the Village's business district. Situated on the Great South Bay, the Village is also the site of marine-oriented businesses and recreational activities, as well as, the location of several notable health-care facilities: Brunswick Psychiatric Center, South Oaks Hospital, and Massapequa Center for Rehabilitation and Nursing.

The Village includes a station on the Main Line of the Long Island Railroad. New York State Route 110 traverses and Village from North to South, and the Village also includes New York Stat Routes 27 and 27A, as well as, County and local roads.

Municipal Services

The Village offers a full range of services including police and fire protection, snow clearing and sanding for Village, State and County streets within its borders, street lighting and traffic control, road maintenance building inspection and parks and recreational services. Other services provided by the Village include zoning administration and planning. Each of these services is funded by real property taxes and/or other revenues collected. The Village also has its own Village Court. Sanitary sewer service is provided by Suffolk County; water is provided by the Suffolk County Water Authority; electricity and gas services are provided by the PSEG Long Island and National Grid Corporation.

Employees

The Village provides services through approximately 60 full-time and 23 part-time employees. The majority of full-time Village employees are represented by the following three labor organizations.

Labor Organization	Number of Employees	Contract Expiration Date
Civil Service Employees Assoc., Inc. - Highway	19	05/31/2019[a]
Civil Service Employees Assoc., Inc. - Clerical	2	11/30/2019
Amityville Police Benevolent Association, Inc.	23	05/31/2018[a]

a. Currently under negotiations.

ECONOMIC AND DEMOGRAPHIC INFORMATION

Population Characteristics

Since 1990, the Village has had a population trend, as compared to the County and the State, as indicated below:

Year	Village	County	New York State
1990	9,286	1,321,864	17,990,455
2000	9,441	1,419,369	18,976,457
2010	9,537	1,482,548	19,378,102
2017	9,513	1,497,595	19,798,228

Source: U.S. Bureau of the Census

Per Capita Money Income

	1990	2000	2010	2017*
Village of Amityville	$19,966	$27,750	$39,758	$48,551
County of Suffolk	18,481	26,577	38,369	43,804
State of New York	16,501	23,389	36,089	42,224

Source: U.S. Bureau of the Census

Median Family Income

	1990	2000	2010	2017*
Village of Amityville	$46,442	$61,885	$74,366	$98,268
County of Suffolk	49,128	65,288	84,506	92,838
State of New York	32,965	51,591	55,603	62,765

Source: U.S. Department of Commerce, Bureau of the Census.

Largest Employers

Name of Employer	Nature of Business	Number of Employees
South Oaks/Broadlawn Manor	Nursing Care	1,050
Amityville School District	Public Schools	600
Brunswick Health Care Center	Medical	250
Hi Tech Pharmacal	Pharmaceutical	230
Stop and Shop	Supermarket	175
Napco Security Systems	Alarms	150
Security Dodge	Car Dealership	150
Village of Amityville	Governmental	92
Sunrise Psychiatric	Mental Health Care	75
American Professional Agency	Insurance	70

Unemployment Rate Statistics

Annual Averages:	Suffolk County	New York State
2014	5.3	6.4
2015	5.0	5.5
2016	4.3	4.9
2017	4.4	4.6
2018	3.9	4.1
2019 (9 Months)	3.6	4.1

Source: Department of Labor, State of New York

INDEBTEDNESS OF THE VILLAGE

Constitutional Requirements

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

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

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

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes, or to be paid in one of the two fiscal years immediately succeeding the fiscal year in which such indebtedness was contracted, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute or, in the alternative, the weighted average period of probable usefulness of the several objects or purposes for which such indebtedness is to be contracted; no installment may be more than fifty per centum in excess of the smallest prior installment, unless the Village has authorized the issuance of indebtedness having substantially level or declining annual debt service. The Village is required to provide an annual appropriation for the payment of interest due during the fiscal year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds, bond anticipation notes and capital notes.

General. The Village is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation, assessment, borrowing money, contracting indebtedness and loaning the credit of the Village, so as to prevent abuses in the exercise of such powers; however, as has been noted under "*Nature of Obligation*", the State Legislature is prohibited by a specific constitutional provision from restricting the power of the Village to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limit Law imposes a statutory limitation on the Village's power to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in the Tax Levy Limit Law. (See "*Tax Levy Limit Law*" herein).

Statutory Procedure

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

Pursuant to the Local Finance Law, the Village authorizes the incurrence of indebtedness by the adoption of a bond resolution approved by at least two-thirds of the members of the Board of Trustees, except in the event that the Village determines to subject the bond resolution to voter approval by mandatory referendum, in which case only a three-fifths vote is required.

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

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

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

In addition, under each bond resolution, the Board of Trustees may delegate, and has delegated, power to issue and sell bonds and notes, to the Village Treasurer, the chief fiscal officer of the Village.

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

Debt Limit. The Village has the power to contract indebtedness for any Village purpose so long as the aggregate outstanding principal amount thereof shall not exceed seven per centum of the average full valuation of taxable real estate of the Village and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional and statutory method for determining the full valuation is by dividing the assessed valuation of taxable real estate by the respective equalization rates assigned to each assessment roll. Such equalization rates are the ratios which each of such assessed valuations bear to the respective full valuation of such year, as assigned by the Office of Real Property Tax Services. The State Legislature is required to prescribe the manner by which such ratios shall be determined. Average full valuation is determined by adding the full valuations for the most recently completed assessment roll and the four immediately preceding assessments rolls and dividing the resulting sum of such addition by five.

There is no constitutional limitation on the amount that may be raised by the Village by tax on real estate in any fiscal year to pay principal and interest on all indebtedness. However, the Tax Levy Limit Law imposes a statutory limitation on the power of the Village to increase its annual tax levy. The amount of such increases is limited by the formulas set forth in the Tax Levy Limit Law. (See "*Tax Levy Limit Law*," herein).

The following pages set forth certain details with respect to the indebtedness of the Town.

Computation of Debt Limit and Calculation of Net Debt Contracting Margin
(As of October 24, 2019)

Fiscal Year Ending May 31:	Assessed Valuation	State Equal. Rate (%)	Full Valuation
2016	$36,525,653	3.24	$1,127,334,969
2017	36,684,008	3.23	1,135,727,802
2018	36,537,859	3.11	1,174,850,772
2019	36,381,829	3.02	1,204,696,325
2020	36,842,601	2.82	1,306,475,213

Total Five Year Full Valuation	$5,949,085,080
Average Five Year Full Valuation	1,189,817,016
Debt Limit - 7% of Average Full Valuation	83,287,191
Inclusions:	
General Purpose Bonds	6,140,000
Total Inclusions	6,140,000
Exclusions:	
Excluded Water Debt	0
Note Appropriations	0
Bond Appropriations	280,000
Total Exclusions	280,000
Total Net Indebtedness	5,860,000
Net Debt Contracting Margin	$77,427,191
Percent of Debt Contracting Margin Exhausted (%)	7.04

Debt Service Requirements – Outstanding Bonds

Fiscal Year Ending May 31:	Outstanding Debt Service	Less: Refunded Debt Service	Sub-Total	Refunding Debt Service	Total Debt Service After Refunding Bonds
2019	$1,088,895				
2020	1,066,383				
2021	1,057,726				
2022	875,585				
2023	725,506				
2024	714,559				
2025	511,316				
2026	495,909				
2027	372,703				
2028	211,697				
2029	207,066				
2030	202,313				
2031	197,438				
Totals	$7,727,095	$0	$0	$0	$0

Details of Short-Term Indebtedness Outstanding

As of the date of this Official Statement, the Village has no short-term debt outstanding.

Authorized But Unissued Indebtedness

As of the date of this Official Statement, the Village has authorized but unissued indebtedness in the amount of $2,000,000 for road improvements. Such projects are expected to be financed from the proceeds of the Series A Bonds.

Capital Project Plans

The Village is generally responsible for providing services as required to 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 expenses. In addition, the Village owns, operates, maintains and improves recreation and other village facilities. In general, needs for capital funding for the above described projects which the Village has responsibility are anticipated to continue and to be in approximately the same amounts or less than has prevailed in the past.

Trend of Outstanding Debt

	Fiscal Year Ending May 31:				
	2015	2016	2017	2018	2019
Bonds	$7,830,000	$6,970,000	$8,505,000	$7,620,000	$6,745,000
BAN's	100,000	0	0	0	0
Other Debt	0	0	0	0	0
Total Debt Outstanding	$7,930,000	$6,970,000	$8,505,000	$7,620,000	$6,745,000

Calculation of Estimated Overlapping and Underlying Indebtedness

Overlapping Units	Date of Report	Percentage Applicable (%)	Applicable Total Indebtedness	Applicable Net Indebtedness
Suffolk County	03/19/19	0.47	$10,244,960	$5,985,482
Town of Babylon	10/23/18	5.05	7,949,710	7,578,030
Amityville UFSD	09/10/19	40.79	23,827,479	23,827,479
Totals			$42,022,149	$37,390,991

Debt Ratios
(As of October 24, 2019)

	Amount	Per Capita[a]	Percentage of Full Value (%)[b]
Total Direct Debt	$ 6,140,000	$ 645	0.470
Net Direct Debt	5,860,000	616	0.449
Total Direct & Applicable Total Overlapping Debt	48,162,149	5,063	3.686
Net Direct & Applicable Net Overlapping Debt	43,250,991	4,547	3.311

a. The current estimated population of the village is 9,513.
b. The full valuation of taxable real property in the Village for 2019-20 is $1,306,475,213.

FINANCES OF THE VILLAGE

Independent Audit Procedures

The financial statements of the Village are audited each year by an independent public accountant. The latest year for which an Annual Financial Report is available is the fiscal year ended May 31, 2018. The financial affairs of the Village are subject to periodic compliance review by the Office of the State Comptroller to ascertain whether the Village has complied with the requirements of various State and Federal statutes. As required by law, the Village also prepares an Annual Financial Report Update Document for submission to the Comptroller. A copy of the Audited Financial Statements for the fiscal year ended May 31, 2018 is attached hereto as Appendix B. The 2019 audit is expected to be available in November of 2019. A summary of the operating results for the past five fiscal years is attached as Appendix A hereto.

Fund Structure and Accounts

The Village utilizes fund accounting to record and report its various service activities. A fund represents both a legal and an accounting entity which segregates the transactions of specific programs in accordance with special regulations, restrictions or limitations.

There are three basic fund types: (1) governmental funds that are used to account for basic services and capital projects; (2) proprietary funds that account for operations of a commercial nature; and, (3) fiduciary funds that account for assets held in a trustee capacity. Account groups, which do not represent funds, are used to record fixed assets and long-term obligations that are not accounted for in a specific fund.

The Village presently maintains the following governmental funds: General Fund, Water Fund, Sewer Fund, and the Capital Projects Fund. Fiduciary funds consist of a Trust and Agency Fund. There are no proprietary funds. Account groups are maintained for fixed assets and long-term debt.

Basis of Accounting

The Village's governmental funds are accounted for on a modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when they become susceptible to accrual - that is, when they become "measurable" and "available" to finance expenditures to the current period. Revenues which are susceptible to accrual include real property taxes, intergovernmental revenues (State and Federal aid) and operating transfers.

Expenditures are generally recognized under the modified accrual basis of accounting, that is when the related fund liability is incurred. Exceptions to this general rule are (1) payments to employee retirement systems which are recorded in the General Long-Term Debt Account Group and recognized as an expenditure when due, and, (2) unmatured interest on general long-term debt which is recognized when due.

Investment Policy

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 guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (3) obligations of the State of New York; (4) 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; (5) certificates of participation issued in connection with installment purchase agreements entered into by political subdivisions of the State pursuant to Section 109-b(10) of the GML; (6) obligations of a New York public benefit corporation which are made lawful investments for municipalities pursuant to the enabling statute of such public benefit corporation; or (7) in the case of moneys held in certain reserve funds established by the Village pursuant to law, in 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 Board of Trustees of the Village 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 Board, with the assistance of the Village Treasurer, prepares a preliminary budget in the Spring of each year and holds a public hearing thereon by April 15. Subsequent to the budget hearing, revisions, of 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 is not subject to voter approval.

Financial Operations

The Village Treasurer functions as the chief fiscal officer as provided in Section 2.00 of the Local Finance Law; in this role, the Village Treasurer is responsible for the Village's accounting and financial reporting activities. In addition, the Treasurer is also the Village's budget officer and prepares the annual tentative budget for submission to the Board of Trustees. Budgetary control during the year is the responsibility of the Village Treasurer. Pursuant to Section 30.00 of the Local Finance Law, the Village Treasurer has been authorized to issue or renew certain specific types of notes. As required by law, the Village 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.

Revenues

The Village receives most of its revenues from a real property tax on all non-exempt real property situated within the Village. A summary of such revenues for the five most recently completed fiscal years and estimated revenues for the current fiscal year may be found in Appendix A.

Real Property Taxes

See "Tax Information", herein.

State Aid

The Village receives financial assistance from the State. In its adopted budget for the 2019-2020 fiscal year, approximately 3.55% of the total general fund revenues of the Village is estimated to be received in the form 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 current or future fiscal year or that the State's financial position will not change materially and adversely from current projections. 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. The Village has not received any reductions in State aid during the current fiscal year nor does it anticipate a significant reduction in State aid during the remainder of the current fiscal year.

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. Additionally, 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 this 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.

The State receives a substantial amount of federal aid for health care, education, transportation and other governmental purposes, as well as federal funding to respond to, and recover from, severe weather events and other disasters. Many of the policies that drive this federal aid may be subject to change under the federal administration and the current Congress. Current federal aid projections, and the assumptions on which they rely, are subject to revision in the future as a result of changes in federal policy.

The federal government may enact budgetary changes or take other actions that adversely affect State finances. State legislation adopted with the State's 2018-2019 Budget continues authorization for a process by which the State would manage significant reductions in federal aid during fiscal year 2018-2019 and fiscal year 2019-2020 should they arise. Specifically, the legislation allows the State Budget Director to prepare a plan for consideration by the State Legislature in the event that the federal government (i) reduces federal financial participation in Medicaid funding to the State or its subdivisions by $850 million or more; or (ii) reduces federal financial participation of other federal aid funding to the State that affects the State Operating Funds financial plan by $850 million or more, exclusive of any cuts to Medicaid. Each limit is triggered separately. The plan prepared by the State Budget Director must equally and proportionately reduce appropriations and cash disbursements in the State's General Fund and State Special Revenue Funds. Upon receipt of the plan, the State Legislature has 90 days to prepare its own corrective action plan, which may be adopted by concurrent resolution passed by both houses, or the plan submitted by the State Budget Director takes effect automatically.

On December 22, 2017, President Trump signed into law the Tax Cuts and Jobs Act of 2017 (H.R. 1, P.L. 115-97), making major changes to the Federal Internal Revenue Code, most of which became effective in the 2018 tax year. The new federal tax law makes extensive changes to federal personal income taxes, corporate income taxes, and estate taxes, and the deductibility of various taxes and interest costs. The State's income tax system interacts with the federal system in numerous ways. The federal changes are expected to have significant flow-through effects on State tax burdens and revenues. The State's 2018-2019 Enacted Budget includes legislation decoupling certain linkages between federal and local income tax and corporate taxes, increasing the opportunities for charitable contributions, and providing an option to employers to shift to an employer compensation tax and reduce State personal income taxes. In addition, the State's 2018-2019 Enacted Budget includes legislation that grants localities the option to establish local charitable funds that would provide taxpayers with a credit against their property taxes. In response to various state initiatives following changes to federal taxes and deductibility, the Department of Treasury (Treasury Department) and the Internal Revenue Service (IRS) have recently provided guidance regarding state initiatives that would seek to circumvent the new statutory limitation on state and local tax deductions and characterization of payments for federal income tax purposes. At this time, the Village does not have plans to establish a local charitable fund.

Should the Village fail to receive State aid expected from the State in the amounts and at the times expected, occasioned by a delay in the payment of such monies or by a mid-year reduction in State aid, the Village is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

The following table sets forth the percentage of the Village's General Fund revenue comprised of State aid for each of the fiscal years 2014 through 2019 and the 2020 budget.

Fiscal Year Ending May 31:	Total Revenue	State Aid	State Aid to Revenues (%)
2014	$15,001,981	$ 528,166	3.52
2015	15,663,767	789,360	5.04
2016	16,434,053	1,189,826	7.24
2017	15,837,946	462,444	2.92
2018	15,980,409	444,591	2.78
2019 (Unaudited)	16,281,121	364,761	2.24
2020 (Budgeted)	16,397,457	581,296	3.55

Expenditures

The major categories of expenditure for the Village are General Government Support, Public Safety, Culture and Recreation, Home & Community Services and Employee Benefits. A summary of the expenditures for the five most recently completed fiscal years and the estimated expenditures for the current fiscal year may be found in Appendix A.

Employee Pension System

Substantially all employees of the Village are members of the New York State and Local Employees' Retirement System (the "Retirement System" or "ERS") or the New York State and Local Police and Fire Retirement System (PFRS). The Retirement Systems are a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits 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, except for Tier 6 employees. The Retirement Systems Law generally provides that all participating employers in the Retirement Systems 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 Retirement Systems are non-contributory with respect to members hired prior to July 27, 1976. Generally, all members hired on or after July 27, 1976 through and including December 31, 2009 must contribute three percent of their gross annual salary towards the costs of retirement programs until they attain ten years in the Retirement Systems, at such time contributions become voluntary. On December 10, 2009, the Governor signed into law the creation of a new Tier 5, which is effective for ERS employees hired after January 1, 2010 through March 31, 2012. Tier 5 employees contribute 3% of their salaries and there is no provision for these contributions to cease for Tier 5 employees after a certain period of service. Additionally, on March 16, 2012, the Governor signed into law the new Tier 6 pension program, effective for ERS employees hired after April 1, 2012. The Tier 6 legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. Tier 6 employees will vest in the system after ten years of employment and will continue to make employee contributions throughout employment.

As a result of significant capital market declines at certain times, in certain years the State's Retirement System portfolio has experienced negative investment performance and severe downward trends in market earnings. As a result of the foregoing, it is anticipated that the employer contribution rate for the State's Retirement System in future years may be higher than the minimum contribution rate established under applicable law. Since 2010, various forms of legislation have been enacted to allow local governments and school districts the option of amortizing required contributions to the Retirement System. However, although these options reduce near term payments, it will require higher than normal contributions in later years.

The Village has decided not to amortize any pension contributions.

The Village is required to contribute an actuarially determined rate. The following table sets forth the contributions for the five most recently completed fiscal years.

Payments to the Retirement Systems

Fiscal Year Ending May 31:	Retirement Contributions[a]
2016	$1,497,171
2017	1,367,293
2018	1,458,770
2019	1,450,425
2020 (Estimate)	1,457,849

a. Total amounts contributed for ERS and PFRS.

Other Post-Employment Benefits

The Village provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. Accounting rules now require governmental entities, such as the Village, to account for post-retirement health care benefits as its accounts for vested pension benefits. GASB Statement No. 45 ("GASB 45") described below requires such accounting.

OPEB refers to "other post-employment benefits," meaning benefits other than pension benefits. OPEB consists primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Before GASB 45, OPEB costs were generally accounted for and managed as current expenses in the year paid and were not reported as a liability on governmental financial statements.

GASB 45 requires municipalities and school districts to account for OPEB liabilities in the same manner as they already account for pension liabilities. It requires them to adopt the actuarial methodologies used for pensions, with adjustments for the different characteristics of OPEB and the fact that most municipalities and school districts have not set aside any funds against this liability. Unlike GASB Statement No. 27, which covers accounting for pensions, GASB 45 does not require municipalities or school districts to report a net OPEB obligation at the start.

Under GASB 45, based on actuarial valuation, an annual required contribution ("ARC") is determined for each municipality or school district. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. If a municipality or school district contributes an amount less than the ARC, a net OPEB obligation will result, which is required to be recorded as a liability on its financial statements.

GASB 45 does not require that the unfunded liability actually be amortized nor that it be advance funded, only that the municipality or school district account for its unfunded accrued liability and compliance in meeting its ARC. The Village presents its financial statements under a comprehensive statutory basis of accounting in accordance with principles prescribed by the Office of the State Comptroller ("OSC") of the State of New York.

Total OPEB Liability at May 31, 2017	$7,079,317
Charges for the Year:	
Service Cost	120,671
Interest	245,264
Differences Between Expected and Actual Experience	17,995
Changes in Assumptions or Other Inputs	(185,195)
Benefit Payments	(301,900)
Net Changes	(103,165)
Total OPEB Liability at May 31, 2018	$6,976,152

The Village’s unfunded actuarial accrued OPEB liability could have a material adverse impact upon the Village’s finances and could force the Village to reduce services, raise taxes or both. There is no authority in New York State to establish a reserve fund for the liability at this time.

Actuarial Valuation will be required every two years for OPEB plans with more than two hundred members, or every three years if there are less than two hundred members. Additional information about GASB 45 and other accounting rules applicable to municipalities and school districts may be obtained from GASB.

Length of Service Award Program

The Village established a defined contribution Service Award Program (referred to as a “LOSAP” - length of service award program - under Section 457(e) (11) of the Internal Revenue Code) effective January 1, 2001, for the active volunteer firefighter members of the Fire Department. The program was established pursuant to Article 11-A of the New York State General Municipal Law. The program provides municipally-funded deferred compensation to volunteer firefighter to facilitate the recruitment and retention of active volunteer firefighters. The Village is the sponsor of the program and the program administrator.

In a defined contribution LOSAP, each participant has an individual program account. The program account balance of a participating volunteer is credited with a “service award” contribution as of the end of each year during which the volunteer was active enough to earn a year of Service Award Program service credit. The participant is paid his or her account balance upon attainment of the “entitlement age”. The amount paid will vary depending upon the number of years of service credit earned by the volunteer and the investment income (less administrative and/or investment expenses not paid by the Village) earned by the Program assets and allocated to the participant’s program account.

Active volunteer firefighters who have reached the age of 18 and who have completed one year of firefighting service are eligible to participant in the program. Participants acquire a nonforfeitable right to be paid their program account balance after being credited with five (5) years of firefighting service or upon attaining the program’s entitlement age while an active volunteer. The program’s entitlement age is age 62. An active volunteer firefighter is credited with a year of firefighting service for each calendar year after the establishment of the program in which he or she accumulates fifty points. Points are granted for the performance of certain firefighter activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive credit for five (5) years of active volunteer firefighting service rendered prior to the establishment of the program as an active volunteer firefighter member of the Highland Falls Volunteer Fire Department.

A participant’s benefit under the program is his or her program account balance paid upon attainment of the entitlement age in a lump sum to the participant. The maximum number of years of service credit a participant may earn is 20 years under the program. Currently, there are no other forms of payment of a volunteer’s earned service award under the Program. Except in the case of death or total and permanent disablement, service awards are paid when a participant attains the entitlement ages.

As of May 31, 2018, the Village’s LOSAP is fully funded.

TAX INFORMATION

Real Property Taxes

The Village derives its power to levy an ad valorem real property tax from the Constitution of the State. The Village's power to levy real property taxes, other than for debt service and certain other purposes, is limited by the State Constitution to two percent of the five-year average full valuation of taxable property of the Village. (See “Tax Limit” herein.) The State Board of Real Property Services annually establishes State Equalization Rates for all localities in the State, which are determined by statistical sampling of market sales/assessment studies. The equalization rates are used in the calculation and distribution of certain State aids and are used by many localities in the calculation or debt contracting and real property taxing limitations.

Tax Collection Procedure

The Village collects its own taxes. Property taxes are levied annually on June 1, payable in two equal payments on June 1 and December 1. Unpaid taxes become a lien in March of the subsequent year and penalty and interest are imposed pursuant to the Real Property Tax Law.

Fiscal Year Ending May 31:	Total Revenue	Property Taxes	Property Taxes To Revenues (%)
2014	$15,001,981	$12,317,529	82.11
2015	15,663,767	12,643,731	80.72
2016	16,434,053	12,663,739	77.06
2017	15,837,946	12,810,503	80.88
2018	15,980,409	12,857,399	80.46
2019 (Unaudited)	16,281,121	12,927,756	79.40
2020 (Budgeted)	16,397,457	13,242,709	80.76

Tax Levy Limit Law

Prior to the enactment of Chapter 97 of the New York Laws of 2011 (the "Tax Levy Limit Law") on June 24, 2011, all the taxable real property within the Village had been subject to the levy of ad valorem taxes to pay the bonds and notes of the Village and interest thereon without limitation as to rate or amount. However, the Tax Levy Limit Law, as amended, imposes a tax levy limitation upon the Village for any fiscal year commencing after January 1, 2012 without providing an exclusion for debt service on obligations issued by the Village. As a result, the power of the Village to levy real estate taxes on all the taxable real property within the Village to pay the bonds and notes of the Village and interest thereon is subject to statutory limitations set forth in Tax Levy Limit Law.

The following is a brief summary of certain relevant provisions of Tax Levy Limit Law. The summary is not complete and the full text of the Tax Levy Limit Law should be read in order to understand the details and implications thereof. The Tax Levy Limit Law imposes a limitation on increases in the real property tax levy of the Village, subject to certain exceptions. The Tax Levy Limit Law permits the Village to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor", which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by: (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, with the result expressed as a decimal to four places. The Village is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limit Law sets forth certain exclusions to the real property tax levy limitation of the Village, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Village. The Village Board is authorized to adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Village Board first enacts, by a vote of at least sixty percent of the total voting power of the governing board of the Village, a local law to override such limit for such coming fiscal year.

The Tax Levy Limit Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation bonds or notes of the Village or such indebtedness incurred after the effective date of the Tax Levy Limit Law. As such, there can be no assurances that the Tax Levy Limit Law will not come under legal challenge for violating (i) Article VIII, Section 12 of the State Constitution for not providing an exception for debt service on obligations issued prior to the enactment of the Tax Levy Limit Law, (ii) Article VIII, Section 10 of the State Constitution by effectively eliminating the exception for debt service to general real estate tax limitations**,** and (iii) Article VIII, Section 2 of the State Constitution by limiting the pledge of its faith and credit by a municipality or school district for the payment of debt service on obligations issued by such municipality or school district.

Tax Limit

The Constitution limits the amount that may be raised by the Village ad valorem tax levy on real estate in any fiscal year to two per centum (2%) of the five-year average full valuation of taxable real estate of the Village plus (1) the amounts required for principal and interest on all capital indebtedness, and (2) current appropriations for certain capital purposes. The tax limit for the Village for the 2019-2020 fiscal year is as follows:

Five-year Average Full Valuation	$1,177,774,273
Tax Limit - 2% thereof	23,555,485
Tax Levy for General Village Purposes	13,242,709
Less: Exclusions	1,088,938
Tax Levy Subject to Tax Limit	$12,153,771
Constitutional Tax Margin	$11,401,714

Tax Levies and Rates

	2015	2016	2017	2018	2019 (Unaudited)
Levy and Collections					
Taxes on Roll	$12,334,707	$12,562,783	$12,774,158	$12,829,093	$12,919,621
Less Collections					
Current Year Taxes	12,318,574	12,562,731	12,618,315	12,793,813	12,816,213
Prior Year Taxes	0	67,832	102,610	168,643	84,745
Total Taxes Collected	12,318,574	12,630,563	12,720,925	12,962,456	12,900,958
Uncollected Taxes					
Current Year Taxes	16,133	52	155,843	35,280	149,110
Prior Year Taxes	116,300	66,241	100,714	158,579	88,944
% Collected Current Year Taxes	99.87	100.00	98.78	99.73	99.20
% Collected Including Prior Year Taxes	99.87	100.54	99.58	101.04	100.39

Selected Listing of Large Taxable Properties

2018-2019Assessment Roll

Name	Type	Assessed Valuation
Newpointe Estates	Residential	$400,000
Snug Harbor Square	Commerical	380,430
BH Realty Group LLC	Health Care	378,735
Keyspan	Utility	301,036
BH Realty Group	Health Care	217,360
Wellington Park Villas LLC	Residential	181,100
80 WEP-10 LLC, 10 Dixon LLC	Commerical	160,400
Hi Tech Pharmacal Co.	Pharamceuticals	157,630
13 Edison Street LLC	Commerical	157,150
Colonial Village LLC	Residential	151,580
	Total [a]	$2,485,421

a. Represents 6.75% of the total taxable assessed valuation for 2018-19.

LITIGATION

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

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. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Village invests in various forms of cybersecurity and operational controls; however, no assurances can be given that such security and operational control measures will 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.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Village, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Village in connection with the Bonds, and Bond Counsel has assumed compliance by the Village with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel to the Village, under existing statutes, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

Bond Counsel expresses no opinion as to any other federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Bonds.

Certain Ongoing Federal Tax Requirements and Certifications

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The Village, in executing the Tax Certificate, will certify to the effect that the Village will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds.

Prospective owners of the Bonds should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Discount

"Original issue discount" ("OID") is the excess of the sum of all amounts payable at the stated maturity of a Bond (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the "issue price" of a maturity (a bond with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the Bonds. In general, the issue price for each maturity of Bonds is expected to be the initial public offering price set forth on the cover page of the Official Statement. Bond Counsel further is of the opinion that, for any Bonds having OID (a "Discount Bond"), OID that has accrued and is properly allocable to the owners of the Discount Bonds under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Bonds.

In general, under Section 1288 of the Code, OID on a Discount Bond accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Bond. An owner's adjusted basis in a Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Discount Bond. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Bond even though there will not be a corresponding cash payment.

Owners of Discount Bonds should consult their own tax advisors with respect to the treatment of original issue discount for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Bonds.

Bond Premium

In general, if an owner acquires a bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the bond after the acquisition date (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates), that premium constitutes "bond premium" on that bond (a "Premium Bond"). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner's yield over the remaining term of the Premium Bond, determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such Bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner's regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner's original acquisition cost. Owners of any Premium Bond should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under federal or state law or otherwise prevent beneficial owners of the Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Bonds.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds will be subject to the final approving opinion of Hawkins Delafield & Wood LLP, Bond Counsel, substantially as set forth in Appendix C.

DISCLOSURE UNDERTAKING

At the time of the delivery of the Bonds, the Village will provide an executed copy of its Undertaking to Provide Continuing Disclosure substantially as set forth in Appendix D.

Compliance History

On November 21, 2016, the Village filed a material event notice for the failure to file its unaudited or audited financial statements for the 2015-2016 fiscal year within 180 day/6 months as required.

On December 7, 2017, the Village filed a material event notice for the failure to file its unaudited or audited financial statements and its Annual Financial and Operating Information for the 2016-2017 fiscal year within 180 day/6 months as required.

On December 9, 2018, the Village filed a material event notice for the failure to file its unaudited or audited financial statements and its Annual Financial and Operating Information for the 2017-2018 fiscal year within 180 day/6 months as required.

BOND RATING

The Village has applied to S&P Global Ratings ("S&P") 55 Water Street, New York, New York 10041, Telephone: (877) 299-2569 and Fax: (212) 438-5153, for a rating on the Bonds and such application is pending at this time. The rating will reflect only the view of such rating agency and an explanation of the significance of such rating should be obtained from S&P. Generally, a rating agency bases its ratings on the information and materials furnished to it and on investigation, studies and assumptions by the 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 such ratings could have an adverse affect on the market price of the Bonds or the availability of a secondary market for such Bonds.

VERIFICATION OF MATHEMATICAL COMPUTATIONS FOR THE SERIES B BONDS

Causey Demgen & Moore Inc. will verify from the information provided to them, the mathematical accuracy, as of the date of the closing of the Series B Bonds, of: (1) the computations contained in the provided schedules to determine that the anticipated receipts from the Government Obligations and cash deposits listed in the underwriter's schedules, to be held in escrow, will be sufficient to pay, when due, the principal, interest and call premium requirements of the Refunded Bonds, and (2) the computations of the yield on both the Government Obligations and the Series B Bonds contained in the provided schedules to be used by Hawkins Delafield & Wood LLP, as Bond Counsel to the Village for the Series B Bonds, in its determination that the interest on the Series B Bonds is excludable from gross income for Federal income tax purposes. Causey Demgen & Moore Inc. will express no opinion on the assumptions provided to them, nor as to the exclusion from taxation of the interest on the Series B Bonds.

The accuracy of the mathematical computations regarding the adequacy of the cash as deposit in the Escrow Fund, to pay, when due, the principal of and interest on the Refunded Bonds on the applicable payment date(s) will be verified by Causey Demgen & Moore, P.C. Such verification of the accuracy of the mathematical computation will be based, in part, upon factual information supplied by the Village and the Purchaser or the Municipal Advisor.

MUNCIPAL ADVISOR

Munistat Services, Inc. (the "Municipal Advisor"), is a Municipal Advisor, registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the Village on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Bonds and has reviewed and commented on certain legal documents, including this Official Statement. The advice on the plan of financing and the structuring of the Bonds 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.

ADDITIONAL INFORMATION

Additional information may be obtained from Catherine Murdock, Village Clerk/Treasurer, Village of Amityville, Village Hall, 21 Ireland Place, Amityville, New York 11701, Phone (631) 264-2810, Fax (631) 598-0363 and email: cmurdock@amityville.com or from the office of Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776, telephone number 631/331-8888 and website: http://www.munistat.com.

Munistat Services, Inc. may place a copy of this Official Statement on its website at www.munistat.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. Munistat Services, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the Village nor Munistat Services, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Munistat Services, Inc. and the Village disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Munistat Services, Inc. and the Village also assumes no liability or responsibility for any errors or omissions, unauthorized editing, or for any updates to dated website information.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be, in fact, realized. This Official Statement is not to be construed as a contract or agreement between the Village and the original purchasers or owners of any of the Bonds.

The preparation and distribution of this Official Statement has been authorized by the bond resolutions of the Village, which delegate to the Treasurer the power to sell and issue the Bonds.

VILLAGE OF AMITYVILLE, NEW YORK

By: s/s CATHERINE MURDOCK
Village Treasurer

November , 2019

APPENDIX A

FINANCIAL INFORMATION

Statement of Revenues, Expenditures and Fund Balances
General Fund

	Fiscal Year Ending May 31: 2014	2015	2016	2017	2018
Revenues:					
Real Property Taxes	$ 12,317,529	$ 12,643,731	$ 12,663,739	$ 12,810,503	$ 12,857,399
Real Property Tax Items	259,986	257,047	382,690	470,989	477,074
Non-Property Taxes	995,307	1,003,210	1,229,951	1,174,764	1,210,157
Departmental Income	156,862	173,691	167,796	222,500	167,539
Intergovernmental Charges	44,939	35,950	35,189	44,225	26,508
Use of Money and Property	1,438	1,399	1,392	2,695	18,379
Licenses & Permits	217,297	295,772	436,657	368,407	285,427
Fines & Forfeitures	220,393	224,800	218,702	191,977	162,832
Sale of Property & Compensation for Loss					
Insuance Recoveries and Minor Sales	38,980	77,258	52,435	15,467	55,596
Miscellaneous	13,639	27,126	1,751	73,975	91,405
State Aid	528,166	789,360	1,189,826	462,444	444,591
Federal Aid	207,445	134,423	53,925		183,502
Total Revenues	15,001,981	15,663,767	16,434,053	15,837,946	15,980,409
Expenditures:					
General Government Support	2,151,883	2,334,903	2,023,311	3,133,975	3,513,830
Public Safety	5,509,989	5,719,509	6,230,026	5,413,070	5,517,595
Health	1,524	2,002	1,434	5,056	
Transportation	1,102,714	1,169,814	1,358,687	436,676	499,307
Economic Opportunity and Development	23,220	47,546	28,609	24,453	27,978
Culture and Recreation	391,022	402,760	416,661	175,817	163,430
Home and Community Services	235,983	248,663	236,936	82,336	101,169
Employee Benefits	4,129,913	4,140,301	4,415,349	4,585,663	4,346,660
Debt Service	1,579,295	3,578,115	1,207,456	1,087,609	1,166,878
Total Expenditures	15,125,543	17,643,613	15,918,469	14,944,655	15,336,847
Other Financing Sources (Uses):					
Proceeds From:					
Transfers In	311,892	2,539,203			
Transfers Out	(6,750)		(12,000)	(110,122)	
Total Other Financing Sources (Uses)	305,142	2,539,203	(12,000)	(110,122)	0
Excess (Deficiency) of Revenues & Expenditures & Other Uses	181,580	559,357	503,584	783,169	643,562
Fund Balance Beginning of Year	(537,898)	(356,318)	203,039	706,623	1,489,794
Prior Period Adjustment				2	2,187,978
Fund Balance End of Year	$ (356,318)	$ 203,039	$ 706,623	$ 1,489,794	$ 4,321,334

*A prior period adjustment has been made for the adoption of GASB Statement No. 73.
Source: Audited Annual Financial Reports of the Village (2014-2018)
NOTE: This Schedule NOT audited.

Balance Sheet-General Fund
Fiscal Year Ending May 31:

	2015	2016	2017	2018
Assets:				
Cash	$ 382,392	$ 1,170,559	$ 1,648,771	$ 1,862,972
Cash Special Reserve			319,109	2,792,905
CLASS Investment Account	15,370	15,391	15,452	15,631
Tax Sale Certificates	66,241	66,241	54,714	54,714
Account Receivable	109,825	142,892	149,364	157,110
Due from Other Funds	66	52,057	105,068	105,070
Due from Other Governments		123,019	131,205	154,849
State-Federal Aid Receivable	176,994	157,066	3,615	
Prepaid Expenditures	6,149	35,081	215,216	189,143
Total Assets:	$ 757,037	$ 1,762,306	$ 2,642,514	$ 5,332,394
Liabilities:				
Accounts Payable and Accrued Expenses	$ 459,333	$ 747,367	$ 725,554	$ 541,546
Due to Other Funds	18,618	30,550	158,122	171,287
Due to Other Governments	4,306	204,323	214,330	243,513
Deferred Revenue	71,741	73,441	54,714	54,714
Total Liabilities and Deferred Revenues	553,998	1,055,681	1,152,720	1,011,060
Fund Equity:				
Nonspendable	6,149	35,081	215,216	189,143
Restricted	16,203	319,048	319,109	2,792,905
Assigned			9,209	
Unassigned	180,687	352,496	946,260	1,339,286
Total Fund Equity	203,039	706,625	1,489,794	4,321,334
Total Liabilities, Deferred Revenues and Fund Equity	$ 757,037	$ 1,762,306	$ 2,642,514	$ 5,332,394

Sources: Audited Annual Financial Reports of the Village (2015-2018)

ADOPTED BUDGET SUMMARY
General Fund

	Fiscal Year Ending May 31: 2019	2020
Revenues:		
Real Property Taxes	$ 12,944,620	$ 13,242,709
Real Property Tax Items	517,182	411,418
Non-Property Taxes	1,247,879	1,313,102
Departmental Income	214,515	498,532
Intergovernmental Charges	59,036	26,000
Use of Money and Property		20,000
Licenses & Permits	410,000	83,200
Fines & Forfeitures	237,400	200,000
Sale of Property & Compensation for Loss		1,200
Insuance Recoveries and Minor Sales	21,200	20,000
Miscellaneous		
State Aid	602,430	581,296
Federal Aid		
Total Revenues	16,254,262	16,397,457
Expenditures:		
General Government Support	5,416,400	4,079,382
Public Safety	4,596,344	5,236,306
Health	1,000	1,000
Transportation	459,348	838,673
Economic Opportunity and Development	23,200	25,000
Culture and Recreation	92,436	236,639
Home and Community Services	98,756	99,000
Employee Benefits	4,461,828	4,792,519
Debt Service	1,104,950	1,088,938
Total Expenditures	16,254,262	16,397,457

Source: Adopted Budgets of the Village

VILLAGE OF AMITYVILLE

APPENDIX B

AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MAY 31, 2018

NOTE: SUCH FINANCIAL REPORT AND OPINIONS WERE PREPARED AS OF THE DATE THEREOF AND HAVE NOT BEEN REVIEWED AND/OR UPDATED IN CONNECTION WITH THE PREPARATION AND DISSEMINATION OF THIS OFFICIAL STATEMENT. CONSENT OF THE AUDITORS HAS NOT BEEN REQUESTED OR OBTAINED.

INCORPORATED VILLAGE OF AMITYVILLE

AMITYVILLE, NEW YORK

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MAY 31, 2018

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Incorporated Village of Amityville
Amityville, New York

We have audited the accompanying financial statements of the governmental activities and each major fund of the Incorporated Village of Amityville as of and for the year ended May 31, 2018, which are comprised of the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Incorporated Village of Amityville management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 disclosure in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

3690 Expressway Drive South
Islandia, NY 11749

Phone: (631) 851-1201
Fax: (631) 851-1206
Email: info@sfhcpa.com
Website: www.sfhcpa.com

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Incorporated Village of Amityville, as of May 31, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

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

Skinnon and Faber, CPA's, P.C.

SKINNON AND FABER, CPA's, P.C.
April 3, 2019

INCORPORATED VILLAGE OF AMITYVILLE

Management's Discussion and Analysis
(Unaudited)

The Board of Trustees of the Incorporated Village of Amityville (the Village), would like to offer readers of the Village's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended May 31, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The Statement of Net Position and the Statement of Activities provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. Fund financial statements report how Village activities were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail by providing information about the Village's most significant funds. The financial statements also include notes that provide additional information about the financial statements and the balances reported. The statements are followed by the required supplementary information, which supports the financial statements with a comparison of the Village's General Fund budget for the year, as well as the schedule of funding progress for the retiree health plan, the schedule of the local government's proportionate share of the net pension liability and the schedule of local government contributions.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

Net Position

The Village's total net position decreased by $69,061 for the fiscal year ended May 31, 2018. A condensed summary of the Village's Statement of Net Position for the current year is detailed below.

Condensed Statement of Net Position – Governmental Activities

	May 31, 2018	**May 31, 2017**
Assets		
Current and Other Assets	$ 5,462,871	$ 3,613,718
Capital Assets (net)	14,883,717	14,543,252
Total Assets	20,346,588	18,156,970
Deferred Outflows of Resources	3,106,925	2,134,282
Liabilities		
Liabilities	1,025,007	1,320,795
Long-Term Liabilities	29,570,269	23,756,733
Total Liabilities	30,595,276	25,077,528
Deferred Inflows of Resources	3,211,353	606,440
Net Position		
Net Investment in Capital Assets	7,316,648	4,507,483
Restricted	2,792,905	319,109
Unrestricted (deficit)	(20,462,669)	(10,219,308)
Total Net Position	$ (10,353,116)	$ (5,392,716)

Net investment in capital assets is the Village's investment in capital assets, such as infrastructure, building and improvements, equipment and trucks, vehicles, and computers, reduced by accumulated depreciation and associated debt. This figure also includes land, which is not depreciated.

Changes in Net Position

The Statement of Activities reports the results of the current year's operations and the effect on net position in the accompanying financial statements. A summary of changes in net position from operating results is shown below.

Changes in Net Position from Operating Results – Governmental Activities

	For the Years Ended	
	May 31, 2018	**May 31, 2017**
Revenues		
Program Revenues:		
Fees, Fines and Charges for Services	$ 642,306	$ 825,528
Operating Grants and Contributions	142,724	145,254
Capital Grants and Contributions	206,750	82,812
General Revenues and Special Items:		
Property Tax Items	13,334,473	13,269,965
Non-Property Tax Items	1,210,157	1,174,764
Investment Earnings	18,407	2,723
State and Federal Aid	278,619	234,378
Other	147,001	100,895
Total Revenues	15,980,437	15,836,319
Expenses		
Governmental Activities:		
General Government Support	5,638,500	5,281,207
Public Safety	9,268,237	9,918,100
Health	-	10,061
Transportation	469,502	340,002
Economic Opportunity and Development	41,781	40,431
Culture and Recreation	245,022	282,082
Home and Community Services	117,329	99,018
Interest on Debt	269,127	223,849
Total Expenses	16,049,498	16,194,750
Change in Net Position	(69,061)	(358,431)
Net Position - Beginning of Year	(5,392,716)	(5,034,285)
Beginning Balance Adjustment	(4,891,339)	-
Net Position - Beginning of Year, as Restated	(10,284,055)	(5,034,285)
Net Position - End of Year	$ (10,353,116)	$ (5,392,716)

ANALYSIS OF POSITION AND RESULTS OF OPERATION

The Village had an excess of expenses over revenues of $69,061. This excess caused a decrease in net position. No significant individual economic factor affected these operating results.

The Village experienced an increase in total revenue of $144,118 as compared to the previous year. There was a decrease in fees, fines, and charges for services of $183,222 which was offset by increases in capital grants and contributions of $123,938, non-property tax items of $35,393, state and federal aid of $44,241 and other revenue of $46,106.

On the expense side, the Village had a decrease of total expenses of $145,252 compared to the previous year. Expenses related to general government support increased significantly compared to the prior year. This increase can mainly be attributed to increases in other post-employment benefits and net pension liability, which is allocated to each function.

ANALYSIS OF BALANCES AND TRANSACTIONS OF INDIVIDUAL FUNDS

The General Fund balance increased by $643,562, resulting in an ending fund balance of $4,321,334. Of this amount, $2,473,631 is restricted for Length of Service Award Program (LOSAP); $19,274 is restricted for the asset forfeiture fund and $300,000 is restricted for a special legislative grant; $189,143 is nonspendable, and the remaining $1,339,286 of fund balance is unassigned for Village operations.

The Capital Fund balance decreased by $869,873, resulting in an ending fund balance of $226,880. Of this amount, $107,645 was restricted for unspent bond proceeds.

BUDGETARY ANALYSIS

A significant budget modification was made to increase street maintenance expenditure and increase federal aid revenue for a reimbursement from the Town of Babylon for a paving project. The following variances exist between the adopted budget and actual results for the year ended May 31, 2018:

Revenues:

- State Aid – Revenues from State Aid were approximately $159,000 less than budgeted. This mainly relates to anticipated revenue for CHIPS which had not been applied for before year end. The Village anticipates applying for reimbursement during the 2018-2019 fiscal year.

Expenditures:

- General Government Support – Expenditures were under budget by approximately $100,000. A majority of the variance was related to the contingency account that was not used.
- Transportation – Expenditures were under budget by approximately $136,000. Actual CHIPS expenditures came in under budget by approximately $102,000.

- Employee Benefits – Expenditures for Employee Benefits were approximately $147,000 under budget. The variance between budgeted and actual amounts was due to the required NYS Retirement contribution coming in approximately $78,000 more than budgeted. The remaining difference relates to recording the activity for the Length of Service Award Program (LOSAP) as stated in GASB 73. The General Fund transferred $250,000 to the LOSAP account. In prior years this was reflected as an expenditure, in the current year it's no longer an expenditure; it's a transfer between bank accounts.

None of the variations between budgeted and actual results are expected to affect future services or liquidity.

A schedule showing the budgeted amounts compared to the Village's actual financial activity for the General Fund is provided in this report as required supplementary information.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

During the year, the Village acquired capital assets with a cost of $1,222,029, which included vehicles, computer equipment, infrastructure and heavy equipment and trucks.

As of May 31, 2018, the Village had total bond indebtedness of $7,620,000. Scheduled payments of $885,000 were made.

INFRASTRUCTURE ASSETS

There were no significant changes in the assessed condition of eligible infrastructure assets.

CURRENTLY KNOWN FACTS, DECISIONS AND CONDITIONS

The current economic conditions of the Village mirrored those of the rest of the region. The Village faces increasing costs and shrinking revenues from non-property tax revenue. The administration has been diligent in containing expenses without sacrificing services to the residents.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide the reader with a general overview of the Village's finances and to demonstrate the Village's accountability for the funds it receives. If you have any questions about this report or need additional financial information, contact:

Incorporated Village of Amityville
Catherine Murdock, Clerk-Treasurer
21 Ireland Place
Amityville, New York 11701

INCORPORATED VILLAGE OF AMITYVILLE
Statement of Net Position
May 31, 2018

ASSETS		
Cash and Cash Equivalents	$	1,990,874
CLASS Investment Account		15,631
Accounts Receivable		157,110
Due from Other Governments		154,849
Tax Sale Certificates (net)		54,714
Prepaid Expenses		189,143
Cash - Restricted		2,900,550
Capital Assets (net)		14,883,717
Total Assets		20,346,588
DEFFERED OUTFLOW OF RESOURCES		3,106,925
LIABILITIES		
Accounts Payable and Accrued Expenses		695,763
Bond Interest Payable		65,064
Agency Fund Payable		20,667
Due to Other Governments		243,513
Long-Term Liabilities:		
Due within one year		1,133,899
Due in more than one year		28,436,370
Total Liabilities		30,595,276
DEFERRED INFLOWS OF RESOURCES		3,211,353
NET POSITION		
Net Investment in Capital Assets		7,316,648
Restricted		2,792,905
Unrestricted (deficit)		(20,462,669)
Total Net Position	$	(10,353,116)

See Notes to the Financial Statements

INCORPORATED VILLAGE OF AMITYVILLE
Statement of Activities
For the Year Ended May 31, 2018

Functions/Programs	Expenses	PROGRAM REVENUES: Fees, Fines and Charges for Services	PROGRAM REVENUES: Operating Grants and Contributions	PROGRAM REVENUES: Capital Grants and Contributions	Net (Expense) / Revenue
Governmental Activities:					
General Government Support	$ 5,638,500	$ 114,049	$ -	$ -	$ (5,524,451)
Public Safety	9,268,237	436,786	142,724	71,464	(8,617,263)
Transportation	469,502	33,316	-	135,286	(300,900)
Economic Opportunity and Development	41,781	-	-	-	(41,781)
Culture and Recreation	245,022	19,945	-	-	(225,077)
Home and Community Services	117,329	38,210	-	-	(79,119)
Interest on Debt	269,127	-	-	-	(269,127)
Total Governmental Activities	$ 16,049,498	$ 642,306	$ 142,724	$ 206,750	(15,057,718)
GENERAL REVENUES AND SPECIAL ITEMS:					
Real Property Taxes and Related Tax Items					13,334,473
Non-Property Taxes					1,210,157
Investment Earnings					18,407
State and Federal Aid					278,619
Insurance Recoveries and Minor Sales					55,596
Other Revenues					91,405
Total General Revenues and Special Items					14,988,657
Change in Net Position					(69,061)
Net Position - Beginning of Year					(5,392,716)
Beginning Balance Adjustment					(4,891,339)
Net Position - Beginning of Year, as Restated					(10,284,055)
Net Position - End of Year					$ (10,353,116)

See Notes to the Financial Statements

INCORPORATED VILLAGE OF AMITYVILLE
Balance Sheets
May 31, 2018

	Governmental Funds		
ASSETS	**General**	**Capital Projects**	**Total**
Assets:			
Cash and Cash Equivalents	$ 1,862,972	$ 127,902	$ 1,990,874
Cash - Restricted	2,792,905	107,645	2,900,550
CLASS Investment Account	15,631	-	15,631
Accounts Receivable	157,110	-	157,110
Due to Other Governments	154,849	-	154,849
Tax Sales Certificates (net)	54,714	-	54,714
Due from Other Funds	105,070	110,122	215,192
Prepaid Expenditures	189,143	-	189,143
Total Assets	$ 5,332,394	$ 345,669	$ 5,678,063
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts Payable and Accrued Expenditures	$ 541,546	$ 54,217	$ 595,763
Due to Other Funds	171,287	64,572	235,859
Due to Other Governments	243,513	-	243,513
Total Liabilities	956,346	118,789	1,075,135
Deferred Inflows of Resources:			
Deferred Revenue - Real Property Taxes	54,714	-	54,714
Total Deferred Inflows of Resources	54,714	-	54,714
Fund Balance:			
Nonspendable	189,143	-	189,143
Restricted	2,792,905	107,645	2,900,550
Assigned	-	119,235	119,235
Unassigned	1,339,286	-	1,339,286
Total Fund Balance	4,321,334	226,880	4,548,214
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 5,332,394	$ 345,669	$ 5,678,063

See Notes to the Financial Statements

INCORPORATED VILLAGE OF AMITYVILLE
Reconciliation of the Governmental Funds Balance Sheets
to the Statement of Net Position
As of May 31, 2018

Total Fund Balance - Total Governmental Funds	$	4,548,214
This amount differs from the amount of net position shown in the Statement of Net Position due to the following:		
Receivables for revenues earned, measurable, but not available to provide financial resources are included in the government-wide statements as assets and are added.		54,714
Capital assets are included as assets in the government-wide statements and are added, net of accumulated depreciation.		14,883,717
Deferred inflows of resources and deferred outflows of resources are not due and payable in the current period and, accordingly, are not reported as fund liabilities and are deducted.		(104,428)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds and are deducted.		(100,000)
Long-term liabilities are not due and payable in the current period and, accordingly, are not reported in the governmental funds. However, these liabilities are included as liabilities in the government-wide statements and are deducted.		
Bonds		(7,620,000)
Compensated Absences		(3,351,451)
Net Pension Liability		(1,426,988)
Other Post-Employment Benefits		(9,500,000)
ERS Liability		(695,678)
Length of Service Award Program		(6,976,152)
Bond interest payable applicable to the governmental activities is not due and payable in the current period and, accordingly, is not reported in the governmental funds. However, these liabilities are included as liabilities in the government-wide statements and are deducted.		(65,064)
Total Net Position	$	(10,353,116)

See Notes to the Financial Statements

INCORPORATED VILLAGE OF AMITYVILLE
Statements of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended May 31, 2018

	Governmental Funds		
	General	Capital Projects	Total
Revenues:			
Real Property Taxes	$ 12,857,399	$ -	$ 12,857,399
Real Property Tax Items	477,074	-	477,074
Non-Property Tax Items	1,210,157	-	1,210,157
Departmental Income	167,539	-	167,539
Intergovernmental Charges	26,508	-	26,508
Use of Money and Property	18,379	28	18,407
Licenses and Permits	285,427	-	285,427
Fines and Forfeitures	162,832	-	162,832
Insurance Recoveries and Minor Sales	55,596	-	55,596
Miscellaneous Local Sources	91,405	-	91,405
Federal Aid	183,502	-	183,502
State Aid	444,591	-	444,591
Total Revenues	15,980,409	28	15,980,437
Expenditures:			
General Government Support	3,513,830	-	3,513,830
Public Safety	5,517,595	-	5,517,595
Transportation	499,307	869,901	1,369,208
Economic Opportunity and Development	27,978	-	27,978
Culture and Recreation	163,430	-	163,430
Home and Community Services	101,169	-	101,169
Employee Benefits	4,346,660	-	4,346,660
Debt Service	1,166,878	-	1,166,878
Total Expenditures	15,336,847	869,901	16,206,748
Net Change in Fund Balances	643,562	(869,873)	(226,311)
Fund Balances at Beginning of Year	1,489,794	1,096,753	2,586,547
Beginning Balance Adjustment	2,187,978	-	2,187,978
Fund Balances at Beginning of Year, as Restated	3,677,772	1,096,753	4,774,525
Fund Balances at End of Year	$ 4,321,334	$ 226,880	$ 4,548,214

See Notes to the Financial Statements

INCORPORATED VILLAGE OF AMITYVILLE
Reconciliation of the Statements of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities
For the Year Ended May 31, 2018

Net Changes in Fund Balances Shown for Total Governmental Funds			$ (226,311)
This amount differs from the change in net position shown in the Statement of Activities because of the following:			
Capital outlays for acquisition of capital assets are recorded in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
	Capital expenditures	1,222,029	
	Depreciation expense	(881,564)	340,465
The issuance of long-term liabilities provide current financial resources to governmental funds, while the repayment of the principal of long-term liabilities consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term liabilities and related items.			13,587
Certain expenditures for insurance premiums, interest on debt and inventory type items are recorded in the governmental funds when the payments are due. In the Statement of Activities, these costs are allocated over the applicable time period that they pertain to. Insurance premiums are allocated over the policy period that they are prepaid for; interest on debt in the period the payments become due; and inventory type items over the period the commodities are consumed. This is the amount by which the current period expenditures exceed the costs allocated over the applicable periods.			41,452
Deferred inflows of resources and deferred outflows of resources are not due and payable in the current period and, accordingly, are not reported as fund liabilities and are added.			(139,981)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.			210,315
Payments for compensated absences are shown in the governmental funds when they are due. In the Statement of Activities, these costs are reported during the period the liabilities are incurred, regardless of when they are due and payable. This amount represents the difference between the expenditures recorded in the current year for payments due on prior year liabilities and the expenses incurred during the current year that have not been paid.			(308,588)
Change in Net Position of Governmental Activities Shown in the Statement of Activities			$ (69,061)

See Notes to the Financial Statements

INCORPORATED VILLAGE OF AMITYVILLE
Statement of Fiduciary Net Position
May 31, 2018

		Agency
ASSETS		
Cash and Cash Equivalents	$	106,442
Due from General Fund		20,667
Deferred Compensation Plan Assets		9,458,785
Total Assets		9,585,894
LIABILITIES		
Agency Fund Liability		46,729
Due to Other Governments		80,380
Deferred Compensation		9,458,785
Total Liabilities	$	9,585,894

See Notes to the Financial Statements

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. FINANCIAL REPORTING ENTITY

The Incorporated Village of Amityville, (which was established in 1894), is governed by local village law, other general laws of the State of New York and various local laws. The Board of Trustees is the legislative body responsible for overall operations, the Mayor serves as Chief Executive Officer and the Treasurer serves as Chief Fiscal Officer.

The following basic services are provided: road maintenance, street light maintenance, snow plowing, tree maintenance, police services and fire protection.

The financial statements of the Village have been prepared in conformity with generally accepted accounting principles (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 Government's accounting policies are described below.

B. BASIS OF PRESENTATION

1. Government-Wide Financial Statements:

The government-wide financial statements include a Statement of Net Position and the Statement of Activities. Fiduciary activities of the Village are not included in these statements.

The statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Village's assets and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the Village are reported in three categories: 1) fees, fines, and charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables and receivables. All interfund balances in the Statement of Net Position have been eliminated except those representing balances between governmental activities and agency activities.

2. Fund Financial Statements:

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures, which are segregated for the purpose of carrying on specific activities. The various funds are exhibited by type in the financial statements. The following fund types are used:

Fund Categories

a. GOVERNMENTAL FUNDS - Governmental funds are those through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon determination of financial position and changes in financial position. The following are the Village's governmental fund types.

   General Fund - the principal operating fund; includes all operations not required to be recorded in other funds.

   Capital Projects Fund - used to account for financial resources to be used for the acquisition or construction of major capital facilities and equipment.

b. FIDUCIARY FUNDS - Fiduciary funds are used to account for assets held by the local government in a trustee or custodial capacity.

   Trust and Agency Funds - used to account for money (and/or property) received and held in the capacity of trustee, custodian or agent. These include expendable trusts, nonexpendable trusts and agency funds.

3. Equity Classifications:

Government-Wide Statements

Equity is classified as net position and displayed in three components:

a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position - Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

Fund Statements

Fund balance is classified and displayed in five components:

a. Nonspendable – Consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.

b. Restricted – Consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

c. Committed – Consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint. The Board is the decision-making authority that can, by resolution prior to the end of the fiscal year, commit fund balance.

d. Assigned – Consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance.

e. Unassigned – Represents the residual classification for the government's general fund, and could report a surplus or deficit. In funds other than the general fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

C. MEASUREMENT FOCUS / BASIS OF ACCOUNTING

Measurement focus is the determination of what is measured, i.e. expenditures or expenses. Basis of accounting refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net position. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under this basis of accounting, revenues are recorded when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered available if collected within 60 days from year end. Material revenues that are accrued include real property taxes and state aid. If expenditures are the prime factor for determining eligibility, revenue from federal and state grants are accrued when the expenditure is made and the resources are available. Expenditures are recorded when the liability is incurred except that:

- Principal and interest on indebtedness are recognized as an expenditure at the time of payment.
- Expenditures for prepaid and inventory-type items are generally recognized at the time of purchase.
- Compensated absences, such as vacation and sick leave, which vests or accumulates, are charged as an expenditure when paid.
- Pension costs are recognized as an expenditure when billed by the State.

D. CASH AND CASH EQUIVALENTS

The Village considers all highly liquid instruments with a maturity of three months or less at the date of purchase to be cash equivalents.

E. PROPERTY TAXES

Property taxes are levied annually on June 1, payable in two equal payments on June 1 and December 1. Unpaid taxes become a lien in March of the subsequent year and penalty and interest are imposed pursuant to the Real Property Tax Law.

F. BUDGETARY DATA

1. Budget Policies – The budget policies are as follows:

   a. No later than March 20, the budget officer submits a tentative budget to the Board of Trustees for the fiscal year commencing the following June 1. The tentative budget includes proposed expenditures and the proposed means of financing for all funds.
   b. After public hearings are conducted to obtain taxpayer comments, no later than May 1, the governing board adopts the budget.
   c. All modifications of the budget must be approved by the governing board.

2. Budget Basis of Accounting:

   Budgets are adopted annually on a basis consistent with generally accepted accounting principles applicable to municipalities.

G. CAPITAL ASSETS

Capital assets, which include land, computers, vehicles, equipment and trucks, buildings and improvements, and infrastructure, are reported in the government-wide financial statements. The capital assets are reported at original cost. Depreciation has been recorded using the straight-line method over 3 years for computers, 5 years for vehicles, 10 years for equipment and trucks, 30 years for buildings and improvements and 50 years for infrastructure. Land is not depreciated. The Village has established a capitalization threshold for assets of $1,500. General infrastructure assets acquired or constructed prior to June 1, 2004 are not reported in the financial statements.

H. COMPENSATED ABSENCES

Employees may not accrue vacation leave in excess of current year's entitlement. Police, including the Police Chief and Lieutenant, may accrue up to 90 days of prior years' unused vacation, plus current year's entitlement, paid out up to a maximum of 120 days at the prevailing contractual daily rate of pay.

Employees may accrue sick leave up to a maximum of 375 days. Upon separation, sick time is paid out at 50% of the prevailing daily rate of pay, up to 150 days maximum.

Police may accumulate up to 550 days of sick leave, paid out at 60% of prevailing contractual daily rate of pay.

The Police Chief and Lieutenant may accumulate up to 500 days sick leave, paid out at 70% and an additional 50 days sick leave, paid out at 60% of the prevailing contractual daily rate of pay.

Estimated vacation and sick leave pay accumulated by the Village employees and Police has been recorded in the government-wide financial statements. At May 31, 2018, the Village has an estimated liability of $3,351,451.

I. OTHER POST-EMPLOYMENT BENEFITS

In addition to providing pension benefits, the Village provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the Village's full time employees may become eligible for these benefits.

Healthcare benefits and survivor benefits are provided through an insurance company whose premiums are based on the benefits paid during the year. The Village recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the governmental funds in the year paid. The liability for these other post-employment benefits payable is recorded as a long-term debt in the government-wide statements. The current portion of this debt is estimated based on the most recent actuarial valuation in accordance with the parameters of GASB Statement No. 45.

J. INSURANCE

The Village assumes the liability for most risk including, but not limited to, property damage and personal injury liability. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. The Village carries various insurance policies to mitigate any losses that might occur.

K. USE OF 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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results may differ from those estimates.

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenditure/expense) until that time.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources until that time.

M. DEFERRED COMPENSATION PLAN

Employees of the Village may elect to participate in the Village of Amityville's Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years, usually after retirement. The plan is maintained through an insurance company, and the Village maintains no funds.

II. DETAIL NOTES ON ALL FUNDS

A. ASSETS

1. Cash and Investments:

The Village's cash and cash equivalents consist of cash on hand and demand deposits. The Village investment policies are governed by State statutes. In addition, the Village has its own written investment policy. Village monies must be deposited in specified FDIC-insured commercial banks located in New York State. The Village Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include: obligations of the U.S. Treasury, obligations of New York State (or its localities if approved by the State Comptroller), and a CLASS investment account with the Municipal Investors Service Corp. which has a collateral arrangement with a third party custodial bank. All deposits and investments are carried at cost plus accrued interest.

Third party collateral is required for all deposits and certificates of deposit at 100% of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are the same as the permissible investments mentioned above.

Deposits and investments at year-end were entirely covered by federal depository insurance or by collateral held by the Village's third party custodial bank. They consisted of:

Deposits: All deposits are carried at cost plus accrued interest.

Bank balances for the Village's deposits with financial institutions as of May 31, 2018 totaled $2,910,249 and are covered by federal deposit insurance or third party collateral as follows:

Amount FDIC Insured	$ 1,067,171
Amount Collateralized	2,298,363
Total Amounts	$ 3,365,534

Investments: All deposits are stated at cost plus accrued interest.

	CLASS Investment Account	
Fund	Market Value	Carrying Amount
General	$ 15,631	$ 15,631
Total Deposits and Investments	$ 15,631	$ 15,631

2. Property Taxes:

Total Tax Sale Certificates of $54,714 are offset by deferred revenue for the same amount.

3. Interfund Receivables and Payables:

Temporary advances between funds and unpaid interfund charges will be reimbursed subsequent to year end. The interfund receivable and payable balances at May 31, 2018 are as follows:

	Amount Receivable	Amount Payable
General Fund	$ 105,070	$ 171,287
Capital Projects Fund	110,122	64,572
Trust and Agency Fund	20,667	-
Totals	$ 235,859	$ 235,859

4. Changes in Capital Assets:

A summary of changes in capital assets follows:

Capital Assets	Balance May 31, 2017	Additions	Deletions	Balance May 31, 2018
Land	$ 2,411,603	$ -	$ -	$ 2,411,603
Computers	238,332	8,500	-	246,832
Vehicles	1,744,469	280,333	-	2,024,802
Equipment and Trucks	4,790,983	30,589	-	4,821,572
Buildings and Improvements	10,054,132	2,956	-	10,057,088
Infrastructure	3,358,554	899,651	-	4,258,205
	22,598,073	1,222,029	-	23,820,102
Accumulated Depreciation				
Land	-	-	-	-
Computers	(207,852)	(24,271)	-	(232,123)
Vehicles	(1,400,766)	(120,685)	-	(1,521,451)
Equipment and Trucks	(3,340,500)	(317,023)	-	(3,657,523)
Buildings and Improvements	(2,868,381)	(344,132)	-	(3,212,513)
Infrastructure	(237,322)	(75,453)	-	(312,775)
	(8,054,821)	(881,564)	-	(8,936,385)
Totals				
Land	2,411,603	-	-	2,411,603
Computers	30,480	(15,771)	-	14,709
Vehicles	343,703	159,648	-	503,351
Equipment and Trucks	1,450,483	(286,434)	-	1,164,049
Buildings and Improvements	7,185,751	(341,176)	-	6,844,575
Infrastructure	3,121,232	824,198	-	3,945,430
Capital Assets (net)	$ 14,543,252	$ 340,465	$ -	$ 14,883,717

Depreciation expense was charged as direct expense to programs of the primary government as follows:

Governmental Activities	
General Government Support	$ 335,836
Public Safety	404,442
Transportation	133,693
Culture and Recreation	7,593
Total Depreciation Expense – Governmental Activities	$ 881,564

B. LIABILITIES

1. Description of Plan:

The Village of Amityville participates in the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS), which are collectively referred to as the New York State and Local Retirement System (the System). The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all assets and record changes in fiduciary net position allocated to the System.

The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November 2014, he was elected for a new term commencing January 1, 2015. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides the pension membership, is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. Generally, members of the System are employees of the State and its municipalities, other than New York City.

ERS and PFRS are cost sharing, multiple-employer defined benefit pension plans. The System is included in the State's financial report as a pension trust fund

Separately issued financial statements for the System can be accessed on the Comptroller's website at: www.osc.state.ny.us/retire/about_us/financial_statements_index.php.

Membership Tiers

Pension legislation enacted in 1973, 1976, 1983, 2009 and 2012 established distinct classes of membership. For convenience, the System uses a tier concept to distinguish these groups, generally:

ERS

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

PFRS

Tier 1	Those persons who last became members before July 31, 1973.
Tier 2	Those persons who last became members on or after July 31, 1973, but before July 1, 2009.
Tier 3	Those persons who last became members on or after July 1, 2009, but before January 9, 2010.
Tier 4	N/A
Tier 5	Those persons who last became members on or after January 9, 2010, but before April 1, 2012, or who were previously PFRS Tier 3 members who elected to become Tier 5.
Tier 6	Those persons who first became members on or after April 1, 2012.

Vesting

Members who joined the System prior to January 1, 2010 need five years of service to be 100% vested. Members who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS) require ten years of service credit to be 100% vested.

Benefits

Tiers 1 & 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2% of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years of employment. For Tier 1 members who joined on or after June 17, 1971, each year used in the final average salary calculation is limited to no more than 20% greater than the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20% greater than the average of the previous two years.

Tier 3, 4, and 5

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4, and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2% of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5% of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with ten or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of the wages earned in the three highest consecutive years of employment. For Tier 3, 4, and 5 members, each year of final average salary calculation is limited to no more than 10% greater than the average of the previous two years.

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members.

Benefit Calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75% of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2% of final average salary is applied for each year of service over 20 years. Tier 6 members with ten or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10% greater than the average of the previous four years.

Special Plans

The 25-Year Plans allow a retirement after 25 years of service with a benefit of one-half of final average salary, and the 20-Year Plans allow a retirement after 20 years of service with a benefit of one-half of final average salary. These plans are available to certain PFRS members, sheriffs, and correction officers.

Ordinary Disability Benefits

Generally, ordinary disability benefits, usually one-third of salary, are provided to eligible members after ten years of service; in some cases, they are provided after five years of service.

Accidental Disability Benefits

For all eligible Tier 1 and Tier 2 ERS and PFRS members, the accidental disability benefit is a pension of 75% of final average salary, with an offset for any Workers' Compensation benefits received. The benefit for eligible Tier 3, 4, 5 and 6 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first $50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

Post-Retirement Benefit Increases

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

Employer Contributions

Participating employers are required under the RSSL to contribute to the System at an actuarially determined rate adopted annually by the Comptroller. The average contribution rate for ERS for the fiscal year ended March 31, 2018 was approximately 15.3% of payroll. The average contribution rate for PFRS for the fiscal year ended March 31, 2018 was approximately 24.4% of payroll. Delinquent annual bills for employer contributions accrue interest at the actuarial rate applicable during the year. For the fiscal year ended March 31, 2018, the applicable interest rate was 7%.

Member Contributions

Generally, Tier 3, 4, and 5 members must contribute 3% of their salary to the System. As a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1976, who have ten or more years of membership or credited service with the System, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service.

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

2017-18	$	1,458,771
2016-17		1,367,293
2015-16		1,497,171

Chapter 57 of the Laws of 2010 of the State of New York was enacted that allows local employers to amortize a portion of their retirement bill for 10 years in accordance with the following stipulations:

- For State fiscal year 2010-11, the amount in excess of the graded rate of 9.5 percent of employees' covered pensionable salaries, with the first payment of those pension costs not due until the fiscal year succeeding that fiscal year in which the amortization was instituted.
- For subsequent State fiscal years, the graded rate will increase or decrease by up to one percent depending on the gap between the increase or decrease in the System's average rate and the previous graded rate.
- The interest rate will be set annually, and will be comparable to taxable fixed income investments of a similar duration.
- For subsequent State fiscal years in which the System's average rates are lower than the graded rates, the employer will be required to pay the graded rate. Any additional contributions made will first be used to pay off existing amortizations, and then any excess will be deposited into a reserve account and will be used to offset future increases in contribution rates.

This law requires participating employers to make payments on a current basis, while amortizing existing unpaid amounts relating to the System's fiscal years when the local employer opts to participate in the program. The total unpaid liability at the end of the fiscal year was $695,678 which is reported in the Schedule of Non-Current Governmental Liabilities.

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

At May 31, 2018, the Incorporated Village of Amityville reported a liability of $1,426,988 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Incorporated Village of Amityville's proportion of the net pension liability was based on a projection of the Incorporated Village of Amityville's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At May 31, 2018, the Incorporated Village of Amityville's proportion was 0.0089610 percent for ERS and 0.1125667 percent for PFRS.

For the year ended May 31, 2018, the Incorporated Village of Amityville recognized pension expense of $1,598,752. At May 31, 2018, the Incorporated Village of Amityville reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 571,450	$ 387,575
Changes of Assumptions	1,053,843	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,340,954	2,683,787
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	139,053	123,264
	$ 3,105,300	$ 3,194,626

There were no amounts reported as deferred outflows of resources related to pensions resulting from the Incorporated Village of Amityville's contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended May 31:	
2019	$ 288,319
2020	255,402
2021	(439,878)
2022	(252,300)
2023	59,131
	$ (89,326)

Actuarial Assumptions

The total pension liability at March 31, 2018 measurement date was determined by using an actuarial valuation as of April 1, 2017, with update procedures used to roll forward the total pension liability to March 31, 2018. The actuarial valuation for both ERS and PFRS used the following actuarial assumptions:

	ERS	**PFRS**
Inflation	2.5%	2.5%
Salary Increases	3.8%	4.5%
Investment Rate of Return (net of invesement expense including inflation)	7.0%	7.0%
Cost of Living Adjustments	1.3%	1.3%

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

The actuarial assumptions used in the April 1, 2017 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected 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 rate of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	36 %	4.55 %
International equity	14	6.35
Private equity	10	7.50
Real estate	10	5.55
Absolute return strategies (1)	2	3.75
Opportunistic portfolio	3	5.68
Real assets	3	5.29
Bonds and mortgages	17	1.31
Cash	1	-0.25
Inflation-indexed bonds	4	1.25
	100 %	

The real rate of return is net of the long-term inflation assumption of 2.50%.

(1) Excludes equity-oriented and long-only funds. For investment management purposes, these funds are included in domestic equity and international equity.

Discount Rate

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

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

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

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
ERS Net Pension Liability	$ 5,573,131	$ 1,137,775	$ (2,582,448)
PFRS Net Pension Liability	2,188,260	289,213	(1,317,306)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2018, were as follows:

	Employees' Retirement System	Police and Fire Retirement System	Total
		(Dollars in thousands)	
Employers' total pension liability	$ 183,400,590	$ 32,914,423	$ 216,315,013
Plan net position	(180,173,145)	(31,903,666)	(212,076,811)
Employers' net pension liability	$ 3,227,445	$ 1,010,757	$ 4,238,202
Ratio of plan net position to the employers' total pension liability	98.2%	96.9%	98.0%

2. Long-Term Debt:

a. Outstanding bond indebtedness aggregated $7,620,000.
b. Serial Bonds – The Incorporated Village of Amityville borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. The provision to be made in future budgets for capital indebtedness represents the amount exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities.
c. Other Long-Term Debt – In addition to the above long-term debt, the local government had the following non-current liabilities:
   - Compensated Absences - Represents the value of earned and unused portion of the liability for compensated absences.
   - Net Pension Liability – Represents the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributable to those employees' past periods of service.
   - Other Post-Employment Benefits (OPEB) – Represents the non-current portion of the liability to current employees and retirees.
   - ERS Liability – Unpaid amounts the Village has opted to amortize over 10 years.
   - Length of Service Award Program (LOSAP) – Represents the portion of the present value of projected benefit payments to be provided through the Length of Service Award Program.

d. Summary Long-Term Debt – The following is a summary of long-term liabilities by fund:

	General	Capital Projects
Serial Bonds	$ 1,500,000	$ 6,120,000
Total Bonds	1,500,000	6,120,000
Compensated Absences	3,351,451	-
Net Pension Liability	1,426,988	-
Other Post-Employment Benefits	9,500,000	-
ERS Liabilty	695,678	
Length of Service Award Program	6,976,152	-
Total Long-Term Debt	$ 23,450,269	$ 6,120,000

e. The following is a summary of changes in long-term liabilities:

	Beginning of Fiscal Year	Additions	Reductions	End of Fiscal Year	Due in One Year
Bonds	$ 8,505,000	$ -	$ (885,000)	$ 7,620,000	$ 875,000
Compensated Absences	3,042,863	308,588	-	3,351,451	144,780
Net Pension Liability	2,904,175	-	(1,477,187)	1,426,988	-
Other Post-Employment Benefits	8,470,000	1,030,000	-	9,500,000	-
ERS Liability	805,993	-	(110,315)	695,678	114,119
Length of Service Award Program	7,079,317	-	(103,165)	6,976,152	-
	$ 30,807,348	$ 1,338,588	$ (2,575,667)	$ 29,570,269	$ 1,133,899

f. Long-Term Debt Maturity Schedule – The following is a statement of serial bonds with corresponding maturity schedules:

Description by Fund	Orignal Date Issued	Original Amount	Rate %	Date Final Maturity	Outstanding
Capital Fund	10/12/2016	$ 2,400,000	2.25-2.5	10/1/2031	$ 2,400,000
General Fund	9/25/2014	2,300,000	1.000	9/25/2025	1,325,000
Capital Fund	3/15/2007	2,000,000	4.000	8/1/2026	990,000
Capital Fund	3/15/2008	3,000,000	3.750-4.250	2/1/2028	1,500,000
Capital Fund	10/1/2009	2,000,000	2.625-3.250	8/1/2021	755,000
Capital Fund	8/16/2011	1,400,000	2.0-3.5	2/1/2023	650,000
Total					$ 7,620,000

g. The following table summarizes the Incorporated Village of Amityville's future debt service requirements:

	Serial Bonds		
Ending Date	Principal	Interest	Total
May 31:			
2019	$ 875,000	$ 229,950	$ 1,104,950
2020	885,000	203,938	1,088,938
2021	890,000	176,425	1,066,425
2022	910,000	147,769	1,057,769
2023	755,000	120,606	875,606
2024-2028	2,525,000	294,993	2,819,993
2029-2032	780,000	38,513	818,513
Total	$ 7,620,000	$ 1,212,194	$ 8,832,194

C. DEFINED BENEFIT VOLUNTEER FIREFIGHTER SERVICE AWARD PROGRAM

The Village of Amityville's financial statements are for the year ended May 31, 2018. However, the information contained in this note is based on information for the Length of Service Awards Program (LOSAP) for the plan year ending on December 31, 2017, which is the most recent plan year for which complete information is available.

The Village of Amityville established a defined benefit LOSAP for the active volunteer firefighters of the Amityville Fire Department. The program took effect on January 1, 1992. The program was established pursuant to Article 11-A of the General Municipal Law. The program provides municipally-funded pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters. The Village of Amityville is the sponsor of the program.

1. Program Description:

   Participation, Vesting and Service Credit
   Active volunteer firefighters who have reached the age of eighteen and who have completed one year of firefighting service are eligible to participate in the program. Participants acquire a nonforfeitable right to a service award after being credited with five years of firefighting service or upon attaining the program's entitlement age. The program's entitlement age is age sixty-two. In general, an active volunteer firefighter is credited with a year of firefighting service for each calendar year after the establishment of the program in which he or she accumulates fifty points. Points are granted for the performance of certain activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive credit for five years of firefighting service rendered prior to the establishment of the program.

   Benefits
   A participant's benefit under the program is the actuarial equivalent of a monthly payment for life equal to $20 multiplied by the person's total number of years of firefighting service. The number of years of firefighting service used to compute the benefit cannot exceed thirty. Except in the case of disability or death, benefits are payable when a participant reaches entitlement age.

2. Fiduciary Investment and Control:

   Service credit is determined by the governing board of the sponsor, based on information certified to the governing board by each fire company having members who participate in the program. Each fire company must maintain all required records on forms prescribed by the governing board.

   The sponsor is required to retain an actuary to determine the amount of the sponsor's contributions to the plan. The actuary retained by the sponsor for this purpose is Benefit Plans Administrative Services (BPAS). Portions of the following information are derived from a report prepared by the actuary dated March 2019.

3. Measurement of Total Pension Liability:

   The total pension liability at the May 31, 2018 measurement date was determined using an actuarial valuation as of that date.

   Actuarial Assumptions:

   The total pension liability in the May 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Inflation:	3.00%
Salary Scale:	None assumed

Mortality rates were based on the RP-2014 50% Male.

Discount Rate:

The discount rate used to measure the total pension liability was 3.57%. This was the yield to maturity of the Fidelity 20-Year GO AA Bond Index.

Changes in the Total Pension Liability

Balance as of 6/1/17 measurement date	$ 7,079,317
Service Cost	120,671
Interest	245,264
Changes of assumptions or other inputs	(185,195)
Differences between expected and actual experience	17,995
Benefit Payments	(301,900)
Net Changes	(103,165)
Balance as of 5/31/18 measurement date	$ 6,976,152

Sensitivity of the Total Pension Liability to Changes in the Discount Rate:

The following presents the total pension liability calculated using the discount rate of 3.57 percent, as well as what the Village's total pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.57 percent) or 1-percentage point higher (4.57 percent) than the current rate:

	1% Decrease (2.57%)	Current Assumption (3.57%)	1% Increase (4.57%)
Total Pension Liability	$ 7,942,000	$ 6,976,152	$ 6,174,000

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

For the year ended May 31, 2018, the Village recognized pension expense of $320,667.

Components of Pension Expense		
Service Cost	$	91,889
Interest on total pension liability		243,880
Changes of assumptions or other inputs		(16,727)
Differences between expected and actual experience		1,625
Total pension expense	$	320,667

At May 31, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Differences between expected and actual experience	$	17,995	$	185,195
Changes of assumptions or other inputs		(16,370)		(168,468)
Benefit payments & administrative expenses subsequent to the measurement date		-		-
Total	$	1,625	$	16,727

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

Year Ended May 31:		
2019	$	(15,102)
2020		(15,102)
2021		(15,102)
2022		(15,102)
2023		(15,102)
Thereafter		(76,588)
Total	$	(152,098)

D. FUND BALANCE

The government's fund balance classification policies and procedures are as follows:

1. For committed fund balances:
   a. The government's highest level of decision-making authority resides with the Board of Trustees.
   b. The formal action that is required to be taken to establish (and modify or rescind) a fund

balance commitment is through formal resolution by the Board.

2. For assigned fund balances:
   a. The body or official authorized to assign amounts to specific purpose is the Board of Trustees.
   b. The policy established by the governing body pursuant to which the authorization to assign amounts to a specific purpose is given to the Board of Trustees.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications (that is restricted, assigned or unassigned), the expenditure is to be spent first from the restricted fund balance to the extent appropriated by either budget vote or board approved budget revision and then from the assigned fund balance to the extent that there is an assignment and then from the unassigned fund balance.

As of May 31, 2018, $189,143 of the General Fund Balance is considered non-spendable as it relates to prepaid items. An additional $2,792,905 of the General Fund Balance is restricted, $19,274 is for the asset forfeiture fund, $300,000 is for a special legislative grant and $2,473,631 is for LOSAP. The Capital Projects Fund Balance is $226,880 as of May 31, 2018, and $119,235 is assigned for future beach improvements and $107,645 is restricted bond proceeds.

E. POST-EMPLOYMENT HEALTHCARE PLAN

In the government-wide financial statements, the cost of other post-employment benefits (OPEB), like the cost of pension benefits, generally should be associated with the period in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended May 31, 2010, the Village recognizes the cost of other post-employment benefits in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Village's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 30 years, commencing in 2010.

Plan Description. The Village, as a single-employer defined benefit OPEB plan, per its contract with employees, will pay various percentages of the premium costs for medical insurance coverage (currently provided through the New York State Health Insurance Plan) at retirement. These percentages are based upon employee classification and hire date. The Village has four classifications for its employees. They are as follows:

Police Benevolent Fund: The Village contributes 100% of the medical premiums.

Department of Public Works: The Village contributes 100% for retirees who were hired prior to March 22, 2004. Retirees hired after March 22, 2004 must have 20 years of service and the Village pays 90%. Retires hired after February 25, 2008 must also have 20 years of service and the Village contributes 85% of the medical premiums.

Civil Service Employee Association: The Village contributes 100% for retirees who were hired prior to August 4, 2004. Retirees hired after August 4, 2004 must have 20 years of service and the Village pays 90% of the medical premiums.

Village: The Village pays 100% for retirees hired prior to January 1, 2005. Retirees hired after January 1, 2005 must have 20 years of service and the Village contributes 90% of the medical premium. Retirees hired after January 1, 2008 must also have 20 years of service and the Village contributes 85% of the premiums.

The spouse of a retiree is entitled to the same contributions. Upon the death of a retiree, the Village will continue the health insurance for the spouse of the employee. Monthly medical premiums (effective 2005) for the NYSHIP Pre 65 Plan are $805 per month for Single and $1,809 per month for Family. For the NYSHIP Post 65 Plan, the monthly medical premiums are $402 per month for Single and $1,002 per month for Family. Medicare Part B Reimbursement is $104.90 per month.

Funding Policy. The contribution requirements of plan members and the Village are established by village contracts. For fiscal year 2018, the Village contributed $890,000 to the plan (contribution made was assumed to equal Expected Benefit Payments).

Annual OPEB Cost and Net OPEB Obligation. The Village's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the state's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation:

Annual required contribution	$ 1,990,000
Interest on net OPEB obligation	380,000
Adjustment to annual required contribution	(450,000)
Annual OPEB cost (expense)	1,920,000
Contributions made	(890,000)
Increase in net OPEB obligation	1,030,000
Net OPEB obligation—beginning of year	8,470,000
Net OPEB obligation—end of year	$ 9,500,000

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2018 and the preceding two years were as follows (dollar amounts in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
5/31/2018	$ 1,920,000	46.4%	$ 9,500,000
5/31/2017	1,930,000	45.1%	8,470,000
5/31/2016	1,850,000	49.7%	7,410,000

Funded Status and Funding Progress. As of June 1, 2015, the most recent actuarial valuation date, the plan was 0.0 percent funded. The actuarial accrued liability for benefits was $26,190,000, and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $26,190,000. The covered payroll (annual payroll of active employees covered by the plan) was $4,450,000, and the ratio of the UAAL to the covered payroll was 589 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 1, 2015 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 4.5 percent investment rate of return. The UAAL is being amortized as a level percentage of projected payroll at a payroll growth rate of 4.5 percent. The remaining amortization period at May 31, 2018 was twenty-two years.

F. CONCENTRATION OF RISK

The Village maintains all cash and cash equivalents in three depositories. FDIC insurance covers all government accounts up to $250,000 (per official custodian) for demand accounts and time and savings accounts.

G. COMMITMENTS AND CONTINGENCIES

State Grants

The Village is a recipient of a number of State grants. These grants are administered by various agencies. These grants are subject to various compliance and financial audits by the respective agencies administering the grants, which could lead to certain disallowances and a request for a return of funds. The Board believes that they have substantially complied with the rules and regulations as specified under the various grant agreements as well as rules and regulations of the respective agency for each grant.

Tax Certiorari

There are presently pending against the Village a number of real property tax review proceedings requesting reductions in assessed valuations of various properties for both past and current years. The financial exposures in these cases are indeterminable at this time. See subsequent events for additional information.

Other

The Village is subject to litigation in the ordinary conduct of its affairs. Management does not believe, however, that such litigation, individually or in the aggregate, is likely to have a material effect on the financial statements.

There are no contingencies that the Village is aware of that would have a material impact on the financial statements.

H. CUMMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE

During 2018, the Village implemented GASB Statement No. 73 *Accounting and Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68,* which resulted in the retroactive reporting of pension liabilities and deferred outflows of resources pertaining to the length of service award program offered to volunteer firefighters. As a result, the Village's June 1, 2017 governmental activities net position and governmental funds fund balance was decreased by $4,891,339 and the governmental funds fund balance was increased by $2,187,978 as follows:

	Government-Wide	Governmental Funds
Net position/fund balance, as originally reported	$ (5,392,716)	$ -
Adjustments for implementation of GASB No. 73:		
Length of service award program:		
Pension liabilities	(7,079,317)	-
Plan assets	2,187,978	2,187,978
Deferred outflow/inflows of resources	-	-
Net position/fund balance, as restated	$ (10,284,055)	$ 2,187,978

I. SUBSEQUENT EVENTS

There were no events subsequent to May 31, 2018 and the date that these financial statements were available to be issued, April 3, 2019, that would have a material impact on these financial statements.

INCORPORATED VILLAGE OF AMITYVILLE
Required Supplementary Information
For the Year Ended May 31, 2018
(Unaudited)

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund

	Original Budget	Final Budget	Actual
Revenues:			
Real Property Taxes	$ 12,829,093	$ 12,829,093	$ 12,857,399
Real Property Tax Items	429,919	429,919	477,074
Non-Property Tax Items	1,222,702	1,222,702	1,210,157
Departmental Income	134,550	133,110	167,539
Intergovernmental Charges	48,173	48,173	26,508
Use of Money and Property	1,300	1,300	18,379
Licenses and Permits	298,000	298,000	285,427
Fines and Forfeitures	225,000	225,000	162,832
Insurance Recoveries and Minor Sales	21,200	21,200	55,596
Miscellaneous Local Sources	27,515	51,481	91,405
Federal Aid	-	124,934	183,502
State Aid	603,212	603,212	444,591
Total Revenues	15,840,664	15,988,124	15,980,409
Expenditures:			
General Government Support	3,610,412	3,614,733	3,513,830
Public Safety	5,530,982	5,558,018	5,517,595
Health	1,500	1,500	-
Transportation	513,600	635,799	499,307
Economic Opportunity and Development	33,150	33,150	27,978
Culture and Recreation	164,480	163,413	163,430
Home and Community Services	125,805	120,776	101,169
Employee Benefits	4,493,857	4,493,857	4,346,660
Debt Service	1,166,878	1,166,878	1,166,878
Total Expenditures	15,640,664	15,788,124	15,336,847
Excess (Deficiency) of Revenues Over (Under) Expenditures	200,000	200,000	643,562
Other Financing Sources (Uses):			
Transfers Out	(200,000)	(200,000)	-
Total Other Financing Sources (Uses)	(200,000)	(200,000)	-
Net Change in Fund Balance	$ -	$ -	643,562
Fund Balance at Beginning of Year			1,489,794
Beginning Balance Adjustment			2,187,978
Fund Balance at Beginning of Year, as Restated			3,677,772
Fund Balance at End of Year			$ 4,321,334

See Notes to the Financial Statements

INCORPORATED VILLAGE OF AMITYVILLE
Required Supplementary Information
For the Year Ended May 31, 2018
(Unaudited)

Schedule of Funding Progress for the Retiree Health Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)— Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
6/1/2015	-	$ 25,220,000	$ 2,522,000	0.0%	$ 4,000,000	631.0%
6/1/2016	-	26,330,000	26,330,000	0.0%	4,220,000	624.0%
6/1/2017	-	26,190,000	26,190,000	0.0%	4,450,000	589.0%

INCORPORATED VILLAGE OF AMITYVILLE
Required Supplementary Information
For the Year Ended May 31, 2018
(Unaudited)

Schedule of the Local Government's Proportionate Share of the Net Pension Liability

NYSLRS Pension Plan
For the 2017 Fiscal Year **

		2018	2017	2016
Village's proportion of the net pension liability (asset)	ERS	0.0089610%	0.0089504%	0.0089660%
	PFRS	0.1125667%	0.0995429%	0.1071680%
Village's proportionate share of the net pension liability (asset)		$ 1,426,988	$ 2,904,175	$ 3,173,017
Village's covered payroll		$ 4,450,000	$ 4,220,000	$ 4,000,000
Village's proportionate share of the net pension liability (asset) as a percentage of it's covered-employee payroll		32.07%	68.82%	79.33%
Plan fiduciary net position as a percentage of the total pension liability		98.04%	94.50%	90.70%

** The amounts presented for the fiscal year were determined as of the March 31, 2018 measurement date.

INCORPORATED VILLAGE OF AMITYVILLE
Required Supplementary Information
For the Year Ended May 31, 2018
(Unaudited)

Schedule of Local Government Contributions

NYSLRS Pension Plan
For the 2018 Fiscal Year

	2018	2017	2016
Contractually required contribution	$ 1,458,771	$ 1,367,293	$ 1,497,171
Contributions in relation to the contractually required contribution	1,458,771	1,367,293	1,497,171
Contribution deficiency (excess)	$ -	$ -	$ -
Village's covered-employee payroll	$ 4,450,000	$ 4,220,000	$ 4,000,000
Contributions as a percentage of covered-employee payroll	32.78%	32.40%	37.43%

See Notes to Financial Statements

INCORPORATED VILLAGE OF AMITYVILLE
Required Supplementary Information
For the Year Ended May 31, 2018
(Unaudited)

Schedule of Changes in the Village's Total Pension Liability - Fire Department

Measurement date as of May 31,	**2018**
Total Pension Liability	
Service cost	$ 120,671
Interest	245,264
Changes of assumptions or other inputs	(185,195)
Differences between expected and actual experience	17,995
Benefit payments	(301,900)
Net change in total pension liability	(103,165)
Total pension liability as of May 31, 2017	7,079,317
Total pension liability as of May 31, 2018	$ 6,976,152
Covered-employee payroll	N/A
Total pension liability as a percentage of covered-employee payroll	N/A

Notes:
Changes of assumptions or other inputs: The discount rate used to measure the total pension liability was based on the yield to maturity of the Fidelity 20-Year GO AA Bond Index was as follows:

May 31, 2018: 3.57%

The mortality projection scale utilized for 2017 and 2018 was the RP 2014 - 50% Male.

APPENDIX C

FORM OF BOND COUNEL OPINION

Hawkins Delafield & Wood LLP
7 World Trade Center
250 Greenwich Street
New York, New York 10007

November 20, 2019

The Board of Trustees of the
Village of Amityville, in the
County of Suffolk, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Village of Amityville (the "Village"), in the County of Suffolk, New York, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the $2,000,000 Public Improvement Serial Bonds-2019 Series A (the "Series A Bonds"), dated and delivered on the date hereof.

Concurrently with the issuance of the Series A Bonds, the Village is issuing its $2,060,000 Public Improvement Serial Bonds-2019 Series B (the "Series B Bonds"). The Series A Bonds are treated, together with the Series B Bonds, as a single issue for federal tax purposes. We have served as Bond Counsel with respect to the issuance of the Series B Bonds and, on the date hereof, we have rendered our opinion with respect to the exclusion of interest on the Series B Bonds from gross income for federal income tax purposes in substantially the form of paragraph 2 below and subject to the same conditions and limitations set forth herein. Noncompliance with such conditions and limitations may cause interest on both the Series A Bonds and the Series B Bonds to become subject to federal income taxation retroactive to the date of issue, irrespective of the date on which such noncompliance occurs or is ascertained.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof. Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Series A Bonds are valid and legally binding general obligations of the Village for which the Village has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the Village is subject to the levy of ad valorem real estate taxes to pay the Series A Bonds and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Series A Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Series A Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Series A Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code.

The Code establishes certain requirements which must be met subsequent to the issuance of the Series A Bonds in order that the interest on the Series A Bonds be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Series A Bonds, restrictions on the investment of proceeds of the Series A Bonds prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Series A Bonds to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of issuance of the Series A Bonds, the Village will execute a Tax Certificate relating to the Series A Bonds containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the Village represents that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that the interest on the Series A Bonds will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 2, we have relied upon and assumed (i) the material accuracy of the Village’s representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of the interest on the Series A Bonds, and (ii) compliance by the Village with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Series A Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Series A Bonds, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Series A Bonds.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement relating to the Series A Bonds or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the Village, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Series A Bonds.

Very truly yours,

Hawkins Delafield & Wood LLP
7 World Trade Center
250 Greenwich Street
New York, New York 10007

November 20, 2019

The Board of Trustees of the
Village of Amityville, in the
County of Suffolk, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Village of Amityville (the "Village"), in the County of Suffolk, New York, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the $2,060,000 Public Improvement Refunding Serial Bonds-2019 Series B (the "Series B Bonds"), dated and delivered on the date hereof.

Concurrently with the issuance of the Series B Bonds, the Village is issuing its $2,000,000 Public Improvement Serial Bonds-2019 Series A (the "Series A Bonds"). The Series B Bonds are treated, together with the Series A Bonds, as a single issue for federal tax purposes. We have served as Bond Counsel with respect to the issuance of the Series A Bonds and, on the date hereof, we have rendered our opinion with respect to the exclusion of interest on the Series A Bonds from gross income for federal income tax purposes in substantially the form of paragraph 2 below and subject to the same conditions and limitations set forth herein. Noncompliance with such conditions and limitations may cause interest on both the Series B Bonds and the Series A Bonds to become subject to federal income taxation retroactive to the date of issue, irrespective of the date on which such noncompliance occurs or is ascertained.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof. Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Series B Bonds are valid and legally binding general obligations of the Village for which the Village has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the Village is subject to the levy of ad valorem real estate taxes to pay the Series B Bonds and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Series B Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Series B Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Series B Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code.

The Code establishes certain requirements which must be met subsequent to the issuance of the Series B Bonds in order that the interest on the Series B Bonds be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Series B Bonds, restrictions on the investment of proceeds of the Series B Bonds prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Series B Bonds to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of issuance of the Series B Bonds, the Village will execute a Tax Certificate relating to the Series B Bonds containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the Village represents that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that the interest on the Series B Bonds will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 2, we have relied upon and assumed (i) the material accuracy of the Village's representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of the interest on the Series B Bonds, and (ii) compliance by the Village with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Series B Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Series B Bonds, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Series B Bonds.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement relating to the Series B Bonds or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the Village, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Series B Bonds.

Very truly yours,

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

Section 1. Definitions

"Annual Information" shall mean the information specified in Section 3 hereof.

"EMMA" shall mean the Electronic Municipal Market Access System implemented by the MSRB.

"Financial Obligation" shall mean "financial obligation" as such term is defined in the Rule.

"GAAP" shall mean generally accepted accounting principles as in effect from time to time in the United States.

"Holder" shall mean any registered owner of the Securities and any beneficial owner of Securities within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934.

"Issuer" shall mean the **Village of Amityville,** in the County of Suffolk, a municipal corporation of the State of New York.

"MSRB" shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Agreement.

"Purchaser" shall mean the financial institution referred to in the Certificate of Award, executed by the Village Treasurer as of November 6, 2019.

"Rule" shall mean Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as amended, as in effect on the date of this Undertaking, including any official interpretations thereof issued either before or after the effective date of this Undertaking which are applicable to this Undertaking.

"Securities" shall mean the Issuer's **$2,000,000 Public Improvement Serial Bonds-2019 Series A**, dated November 20, 2019, maturing in various principal amounts on November 15 in each of the years 2020 to 2034, inclusive, and delivered on the date hereof.

Section 2. Obligation to Provide Continuing Disclosure. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided either directly or through Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York, to the EMMA System:

(i) (A) no later than nine (9) months after the end of each fiscal year, commencing with the fiscal year ending May 31, 2020, the Annual Information relating to such fiscal year, and (B) no later than nine (9) months after the end of each fiscal year, commencing with the fiscal year ending May 31, 2020, the audited financial statements of the Issuer for each fiscal year, if audited financial statements are prepared by the Issuer and then available; provided, however, that if audited financial statements are not prepared or are not then available, unaudited financial statements shall be provided and audited financial statements, if any, shall be delivered to the EMMA System within sixty (60) days after they become available and in no event later than one (1) year after the end of each fiscal year; provided further, however, that the unaudited financial statement shall be provided for any fiscal year only if the Village has made a determination that providing such unaudited financial statement would be compliant with 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; and

(ii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of any of the following events with respect to the Securities:

(1) principal and interest payment delinquencies;

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

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

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

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

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

(7) modifications to rights of Securities holders, if material;

(8) Bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the Securities, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Issuer;

Note to clause (12): For the purposes of the event identified in clause (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, 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 Issuer;

(13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, 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

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

(15) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(iii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of a failure to provide by the date set forth in Section 2(a)(i) hereof any Annual Information required by Section 3 hereof.

(b) Nothing herein shall be deemed to prevent the Issuer from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If the Issuer disseminates any such additional information, the Issuer shall have no obligation to update such information or include it in any future materials disseminated hereunder.

(c) Nothing herein shall be deemed to prevent the Issuer from providing notice of the occurrence of certain other events, in addition to those listed above, if the Issuer determines that any such other event is material with respect to the Securities; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

Section 3. Annual Information. (a) The required Annual Information shall consist of the financial information and operating data for the preceding fiscal year, in a form generally consistent with the information contained or cross-referenced in the Issuer's final official statement relating to the Securities under the headings: "THE VILLAGE OF AMITYVILLE," "ECONOMIC AND DEMOGRAPHIC INFORMATION," "INDEBTEDNESS OF THE VILLAGE," "FINANCES OF THE VILLAGE," "TAX INFORMATION" AND "LITIGATION" AND "APPENDIX A".

(b) All or any portion of the Annual Information may be incorporated in the Annual Information by cross reference to any other documents which are (i) available to the public on the EMMA System or (ii) filed with the SEC. If such a document is a final official statement, it also must be available from the EMMA System.

(c) Annual Information for any fiscal year containing any modified operating data or financial information (as contemplated by Section 7(e) hereof) for such fiscal year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such modification, such Annual Information shall present a comparison between the financial statements or information prepared on the basis of the modified accounting principles and those prepared on the basis of the former accounting principles.

Section 4. Financial Statements. The Issuer's annual financial statements for each fiscal year, if prepared, shall be prepared in accordance with GAAP or New York State regulatory requirements as in effect from time to time. Such financial statements, if prepared, shall be audited by an independent accounting firm. The Issuer's Annual Financial Report Update Document prepared by the Issuer and filed annually with New York State in accordance with applicable law, shall not be subject to the foregoing requirements.

Section 5. Remedies. If the Issuer shall fail to comply with any provision of this Undertaking, then any Holder of Securities may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Undertaking against the Issuer and any of the officers, agents and employees of the Issuer, and may compel the Issuer or any such officers, agents or employees to perform and carry out their duties under this Undertaking; provided that the sole and exclusive remedy for breach of this Undertaking shall be an action to compel specific performance of the obligations of the Issuer hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances. Failure to comply with any provision of this Undertaking shall not constitute an event of default on the Securities.

Section 6. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with paragraph (b)(5) of the Rule and is delivered for the benefit of the Holders. No other person shall have any right to enforce the provisions hereof or any other rights hereunder.

Section 7. Amendments. Without the consent of any holders of Securities, the Issuer at any time and from time to time may enter into any amendments or changes to this Undertaking for any of the following purposes:

(a) to comply with or conform to any changes in Rule 15c2-12 (whether required or optional);

(b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;

(c) to evidence the succession of another person to the Issuer and the assumption of any such successor of the duties of the Issuer hereunder;

(d) to add to the duties of the Issuer for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuer;

(e) to modify the contents, presentation and format of the Annual Information from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the Issuer or to reflect changes in the identity, nature or status of the Issuer or in the business, structure or operations of the Issuer or any mergers, consolidations, acquisitions or dispositions made by or affecting any such person; provided that any such modifications shall comply with the requirements of Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such modification; or

(f) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change;

provided that no such action pursuant to this Section 7 shall adversely affect the interests of the Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

Section 8. Termination. This Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Securities shall have been paid in full or the Securities shall have otherwise been paid or legally defeased pursuant to their terms. Upon any such legal defeasance, the Issuer shall provide notice of such defeasance to the EMMA System. Such notice shall state whether the Securities have been defeased to maturity or to redemption and the timing of such maturity or redemption.

In addition, this Agreement, or any provision hereof, shall be null and void in the event that those portions of the Rule which require this Agreement, or such provision, as the case may be, do not or no longer apply to the Securities, whether because such portions of the Rule are invalid, have been repealed, or otherwise.

Section 9. Undertaking to Constitute Written Agreement or Contract. This Undertaking shall constitute the written agreement or contract for the benefit of Holders of Securities, as contemplated under Rule 15c2-12.

Section 10. Governing Law. This Undertaking shall be governed by the laws of the State of New York determined without regard to principles of conflict of law.

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of November 20, 2019.

VILLAGE OF AMITYVILLE

By____

Village Treasurer and Chief Fiscal Officer

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

Section 1. Definitions

"Annual Information" shall mean the information specified in Section 3 hereof.

"EMMA" shall mean the Electronic Municipal Market Access System implemented by the MSRB.

"Financial Obligation" shall mean "financial obligation" as such term is defined in the Rule.

"GAAP" shall mean generally accepted accounting principles as in effect from time to time in the United States.

"Holder" shall mean any registered owner of the Securities and any beneficial owner of Securities within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934.

"Issuer" shall mean the **Village of Amityville,** in the County of Suffolk, a municipal corporation of the State of New York.

"MSRB" shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Agreement.

"Purchaser" shall mean the financial institution referred to in the Certificate of Award, executed by the Village Treasurer as of November 6, 2019.

"Rule" shall mean Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as amended, as in effect on the date of this Undertaking, including any official interpretations thereof issued either before or after the effective date of this Undertaking which are applicable to this Undertaking.

"Securities" shall mean the Issuer's **$2,060,000 Public Improvement Refunding Serial Bonds-2019 Series B**, dated November 20, 2019, maturing in various principal amounts on August 1 in each of the years 2020 to 2027, inclusive, and delivered on the date hereof.

Section 2. Obligation to Provide Continuing Disclosure. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided either directly or through Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York, to the EMMA System:

(i) (A) no later than nine (9) months after the end of each fiscal year, commencing with the fiscal year ending May 31, 2020, the Annual Information relating to such fiscal year, and (B) no later than nine (9) months after the end of each fiscal year, commencing with the fiscal year ending May 31, 2020, the audited financial statements of the Issuer for each fiscal year, if audited financial statements are prepared by the Issuer and then available; provided, however, that if audited financial statements are not prepared or are not then available, unaudited financial statements shall be provided and audited financial statements, if any, shall be delivered to the EMMA System within sixty (60) days after they become available and in no event later than one (1) year after the end of each fiscal year; provided further, however, that the unaudited financial statement shall be provided for any fiscal year only if the Village has made a determination that providing such unaudited financial statement would be compliant with 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; and

(ii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of any of the following events with respect to the Securities:

(1) principal and interest payment delinquencies;

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

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

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

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

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

(7) modifications to rights of Securities holders, if material;

(8) Bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the Securities, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Issuer;

Note to clause (12): For the purposes of the event identified in clause (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, 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 Issuer;

(13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, 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

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

(15) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(iii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of a failure to provide by the date set forth in Section 2(a)(i) hereof any Annual Information required by Section 3 hereof.

(b) Nothing herein shall be deemed to prevent the Issuer from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If the Issuer disseminates any such additional information, the Issuer shall have no obligation to update such information or include it in any future materials disseminated hereunder.

(c) Nothing herein shall be deemed to prevent the Issuer from providing notice of the occurrence of certain other events, in addition to those listed above, if the Issuer determines that any such other event is material with respect to the Securities; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

Section 3. Annual Information. (a) The required Annual Information shall consist of the financial information and operating data for the preceding fiscal year, in a form generally consistent with the information contained or cross-referenced in the Issuer's final official statement relating to the Securities under the headings: "THE VILLAGE OF AMITYVILLE," "ECONOMIC AND DEMOGRAPHIC INFORMATION," "INDEBTEDNESS OF THE VILLAGE," "FINANCES OF THE VILLAGE," "TAX INFORMATION" AND "LITIGATION" AND "APPENDIX A".

(b) All or any portion of the Annual Information may be incorporated in the Annual Information by cross reference to any other documents which are (i) available to the public on the EMMA System or (ii) filed with the SEC. If such a document is a final official statement, it also must be available from the EMMA System.

(c) Annual Information for any fiscal year containing any modified operating data or financial information (as contemplated by Section 7(e) hereof) for such fiscal year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such modification, such Annual Information shall present a comparison between the financial statements or information prepared on the basis of the modified accounting principles and those prepared on the basis of the former accounting principles.

Section 4. Financial Statements. The Issuer's annual financial statements for each fiscal year, if prepared, shall be prepared in accordance with GAAP or New York State regulatory requirements as in effect from time to time. Such financial statements, if prepared, shall be audited by an independent accounting firm. The Issuer's Annual Financial Report Update Document prepared by the Issuer and filed annually with New York State in accordance with applicable law, shall not be subject to the foregoing requirements.

Section 5. Remedies. If the Issuer shall fail to comply with any provision of this Undertaking, then any Holder of Securities may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Undertaking against the Issuer and any of the officers, agents and employees of the Issuer, and may compel the Issuer or any such officers, agents or employees to perform and carry out their duties under this Undertaking; provided that the sole and exclusive remedy for breach of this Undertaking shall be an action to compel specific performance of the obligations of the Issuer hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances. Failure to comply with any provision of this Undertaking shall not constitute an event of default on the Securities.

Section 6. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with paragraph (b)(5) of the Rule and is delivered for the benefit of the Holders. No other person shall have any right to enforce the provisions hereof or any other rights hereunder.

Section 7. Amendments. Without the consent of any holders of Securities, the Issuer at any time and from time to time may enter into any amendments or changes to this Undertaking for any of the following purposes:

(a) to comply with or conform to any changes in Rule 15c2-12 (whether required or optional);

(b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;

(c) to evidence the succession of another person to the Issuer and the assumption of any such successor of the duties of the Issuer hereunder;

(d) to add to the duties of the Issuer for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuer;

(e) to modify the contents, presentation and format of the Annual Information from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the Issuer or to reflect changes in the identity, nature or status of the Issuer or in the business, structure or operations of the Issuer or any mergers, consolidations, acquisitions or dispositions made by or affecting any such person; provided that any such modifications shall comply with the requirements of Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such modification; or

(f) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change;

provided that no such action pursuant to this Section 7 shall adversely affect the interests of the Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

Section 8. Termination. This Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Securities shall have been paid in full or the Securities shall have otherwise been paid or legally defeased pursuant to their terms. Upon any such legal defeasance, the Issuer shall provide notice of such defeasance to the EMMA System. Such notice shall state whether the Securities have been defeased to maturity or to redemption and the timing of such maturity or redemption.

In addition, this Agreement, or any provision hereof, shall be null and void in the event that those portions of the Rule which require this Agreement, or such provision, as the case may be, do not or no longer apply to the Securities, whether because such portions of the Rule are invalid, have been repealed, or otherwise.

Section 9. Undertaking to Constitute Written Agreement or Contract. This Undertaking shall constitute the written agreement or contract for the benefit of Holders of Securities, as contemplated under Rule 15c2-12.

Section 10. Governing Law. This Undertaking shall be governed by the laws of the State of New York determined without regard to principles of conflict of law.

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of November 20, 2019.

VILLAGE OF AMITYVILLE

By____________________________________

Village Treasurer and Chief Fiscal Officer