

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 13, 2021

NEW ISSUE

SERIAL BONDS

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 of the Code.

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

\$955,000* PUBLIC IMPROVEMENT SERIAL BONDS - 2021 (the "Bonds")

BOND MATURITY SCHEDULE (See Inside Front Cover)

The Bonds are general obligations of the Village of Lloyd Harbor, 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).

At the option of the purchaser, the Bonds may be either (i) registered to 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.

For bonds 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 bidder(s).

The Bonds maturing on May 1, 2029 and thereafter are subject to redemption, at the option of the Village, prior to maturity, in any order of maturity and in any amount within a maturity, on any date on or after May 1, 2028 in accordance with the terms described herein. See "Optional Redemption" under "THE BONDS," herein.

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 respective interests 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 any book-entry Bonds. Principal of and interest on book-entry 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 April 22, 2021, in accordance with the Notice of Sale dated April 13, 2021.

The Bonds are offered subject to the respective final approving opinion 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 Bonds and in book-entry form will be made through the facilities of DTC in New York, New York, or as otherwise agreed to by the Village and the Purchaser, on or about May 6, 2021 in New York, New York.

THIS OFFICIAL STATEMENT IS IN A FORM "DEEMED FINAL" BY THE VILLAGE FOR THE PURPOSE OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE").

*Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment without notice. Under no circumstance shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

**VILLAGE OF LLOYD HARBOR
SUFFOLK COUNTY, NEW YORK**

\$955,000* PUBLIC IMPROVEMENT SERIAL BONDS - 2021

BOND MATURITY SCHEDULE

Dated: May 6, 2021

**Principal Due: May 1, 2022-2031, inclusive
Interest Due: November 1, 2021 and May 1, 2022 and
Semiannually thereafter in each year to
maturity**

<u>Year</u>	<u>Amount**</u>	<u>Rate</u>	<u>Yield or Price</u>	<u>CUSIP #</u>
2022	\$ 90,000			
2023	90,000			
2024	90,000			
2025	90,000			
2026	95,000			
2027	100,000			
2028	100,000			
2029	100,000***			
2030	100,000***			
2031	100,000***			

*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 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

**VILLAGE OF LLOYD HARBOR
SUFFOLK COUNTY, NEW YORK**

32 Middle Hollow Road
Huntington, NY 11743
Telephone: 631/549-8893
Fax: 631/549-8879

BOARD OF TRUSTEES

Jean M. Thatcher, Mayor

William T. Burdo, Trustee
Leland M. Deane, Trustee
George Patsis, Trustee
Jennifer Hubbell, Trustee
Hilary P. Rolih, Trustee
Matthew Strunk, Trustee

Jill Cervini, Village Clerk-Treasurer

GENERAL COUNSEL

Humes & Wagner

* * *

BOND COUNSEL

Hawkins Delafield & Wood LLP
New York, New York

* * *

MUNICIPAL ADVISOR



Municipal Finance Advisory Service

12 Roosevelt Avenue
Port Jefferson Station, N.Y. 11776
(631) 331-8888

E-mail: info@munistat.com
Website: <http://www.munistat.com>

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 LLOYD HARBOR SUFFOLK COUNTY, NEW YORK

\$955,000* PUBLIC IMPROVEMENT SERIAL BONDS - 2021

This Official Statement and appendices thereto presents certain information relating to the Village of Lloyd, in the State of New York (the "Village" and "State," respectively) in connection with the sale of \$955,000* Public Improvement Serial Bonds - 2021 (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.

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

THE BONDS

Description of the Bonds

The Bonds will be dated date of delivery, and will mature in the principal amounts on May 1, in each of the years 2022 to 2031, inclusive, as set forth on the inside cover page. Interest on the Bonds will be payable on November 1, 2021 and May 1, 2022 and semi-annually thereafter on May 1 and November 1 in each year until maturity.

At the option of the purchaser, the Bonds may be either registered in the name of the purchaser or registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC") as book-entry bonds. Individual purchases of the Bonds may be made in denominations of \$5,000 or integral multiples thereof. For Bonds issued as book-entry bonds through DTC, Bondholders will not receive certificates representing their respective interests in the Bonds purchased (See "*DESCRIPTION OF BOOK-ENTRY SYSTEM*," herein).

The Record Date of the Bonds will be the fifteenth day (whether or not a business day) of the calendar month immediately preceding each interest payment date.

The Village will act as Fiscal Agent for book-entry Bonds. The purchaser will act as Fiscal Agent for Bonds registered in the name of the purchaser. Paying agent fees, if any, will be paid by the purchaser. The Village's contact information is as follows: Jill Cervini, Village Clerk-Treasurer, Village of Lloyd Harbor, 32 Middle Hollow Road, Huntington, NY 11743, Phone (631) 549-8893, Fax (631) 549-8879 and email: jcervini@lloydharbor.org.

Optional Redemption

The Bonds maturing on or before May 1, 2028 will not be subject to redemption prior to maturity. The Bonds maturing on May 1, 2029 and thereafter, will be subject to redemption, at the option of the Village, prior to maturity, 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 May 1, 2028, a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest to the date of redemption.

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.

*Preliminary, subject to change.

Authorization and Purpose for the Bonds

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Local Finance Law, and various bond resolutions duly adopted by the Board of Trustees of the Village. The amounts to be financed are set forth below:

Date of Authorization	Purpose	Amount Authorized	Amount Outstanding	Total Amount to be Issued
11/16/2020	Village Hall Improvements	\$ 300,000	\$ 0	\$ 300,000
11/16/2020	Village Park Improvements	110,000	0	110,000
11/16/2020	Dredging of Sand Spit at Village Park	450,000	0	450,000
11/16/2020	Police Station Improvements	700,000	\$ 0	95,000
		<u>\$ 1,560,000</u>	<u>\$ 0</u>	<u>\$ 955,000</u>

DESCRIPTION OF BOOK-ENTRY SYSTEM

DTC will act as securities depository for the Bonds issued in book-entry form. The 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, the world's largest depository, 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 facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of 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"). Effective August 9, 2011, Standard & Poor's assigns a rating of "AA+" to DTC. 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 interest 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 or 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 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.

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

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

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

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

THE VILLAGE WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS 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 OR 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; OR (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

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the Village and discharging its responsibilities with respect thereto under applicable law, or the Village may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, and a replacement book-entry securities depository is not appointed, the Bonds will be issued in registered form 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 Village 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 the *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).

RISK FACTORS

The following description summarizes some of the risks associated with an investment in the Bonds and does not purport to be complete. The factors affecting the Village’s financial condition described throughout this Official Statement are complex and are not intended to be summarized in any one section. This Official Statement should be read in its entirety.

The Village’s credit rating and financial and economic conditions, as well as the market for the Bonds, could be affected by a variety of circumstances, some of which are 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 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 expected to be received (“*State Aid*”). The availability of such monies and the timeliness of such payment may be affected by a delay in the adoption of the State budget, the impact to the State’s economy and financial condition due to the COVID-19 outbreak and other circumstances, including State fiscal stress. State aid appropriated and apportioned to the Village can be paid only if the State has such monies available therefor. 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, 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. (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 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.

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the Village’s financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Currently, the spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The current outbreak has caused the Federal government to declare a national state of emergency. The State has also declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to negatively impact the State’s economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time. Similarly, the degree of the impact to the Village’s operations and finances is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the State and municipalities and school districts located in the State, including the Village. The Village is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. (See “*State Aid*” herein) (See “*Impacts of COVID-19*” herein).

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 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 or Bonds 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 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 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 Bond 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

Description

The Village covers 9.2 square miles and, in area, is the second largest incorporated village in New York; however with a population of approximately 3,677 (2019 – U.S. Bureau of Census), it is one of the most sparsely populated. The Village includes Lloyd Neck and the northern portion of the West Neck peninsula on the North Shore in the “Gold Coast” area of Long Island in the Town of Huntington in Suffolk County. Lloyd Harbor is adjacent to the communities of Laurel Hollow, Huntington and Cold Spring Harbor. It is composed of 1,200 single-family homes. Water is provided by the Suffolk County Water Authority, and electricity and natural gas are provided by PSEG Long Island and National Grid, respectively. The Village has its own police department. Fire protection is provided by the Huntington and Cold Spring Harbor Volunteer Fire Departments.

Governmental Organization

Lloyd Harbor was incorporated in 1926. Subject to the provisions of the State Constitution, the Village operates pursuant to the Village Law, the Local Finance Law, other laws generally applicable to the Village, and special laws applicable to the Village.

The legislative power of the Village is vested in the Board of Trustees of the Village (the “Board”). There are seven members of the Board (the Mayor and six Trustees), each of whom is elected at-large for a term of four years. These officials may succeed themselves.

The executive responsibility for the Village is vested in the Mayor. Subject to Board approval, the Mayor appoints the Village Clerk-Treasurer.

Employees

The Village provides services through one full-time clerk-treasurer, one full-time deputy clerk, one full-time deputy treasurer, and a part-time clerk. None of these employees are represented by units of organized labor. The Department of Public Works is headed by one superintendent of public works supervising 10 employees affiliated with the CSEA. The Village’s Police Department is headed by a Police Chief, three supervisors and eight officers, affiliated with the Lloyd Harbor PBA. There are total of 29 full-time employees and 2 part-time employees. During the summer the Village employs approximately 60 additional employees who work at a Village-run day camp.

ECONOMIC AND DEMOGRAPHIC INFORMATION

Population Trends

<u>Year</u>	<u>Village of Lloyd Harbor</u>	<u>Town of Huntington</u>	<u>Suffolk County</u>	<u>New York State</u>
1990	3,343	191,474	1,321,864	17,990,455
2000	3,675	195,289	1,390,791	18,976,457
2010	3,660	203,264	1,482,548	19,378,102
2019	3,677	201,718	1,483,832	19,572,319

Selected Wealth and Income Indicators

	Per Capita Money Income			
	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2019^a</u>
Village of Lloyd Harbor	\$50,594	\$76,696	\$98,412	\$127,894
Town of Huntington	24,810	36,390	46,862	58,606
County of Suffolk	18,481	26,577	35,755	44,465
State of New York	16,501	23,389	30,948	39,326

	Median Household Income			
	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2019^a</u>
Village of Lloyd Harbor	\$130,720	\$176,650	\$237,188	250,000+
Town of Huntington	65,820	90,606	116,478	124,490
County of Suffolk	53,244	72,112	84,506	101,031
State of New York	32,965	43,393	55,603	68,486

Source: U.S. Bureau of the Census.

a. Based on American Community Survey 5-Year estimates (2015-2019).

Selected Listing of Major Employers in the Town of Huntington

The following is a list of major employers in the Town of Huntington. None of the employers listed are located in the Village.

<u>Name</u>	<u>Type</u>	<u>Estimated Number Of Employees</u>
Half Hollow Hills School District	Education	2,441
Northport Veterans Affairs Medical Center	Healthcare	2,000
Huntington Hospital	Hospital	2,000
Canon	Imaging Products	1,509
Estee Lauder, Inc.	Cosmetics	1,450
Commack School District	Education	1,439
Henry Schein, Inc.	Medical & Dental Supplies	1,400
Northport-East Northport UFSD	Education	1,300
Newsday	Newspaper	1,228
Western Suffolk BOCES	Education	1,176

Source: Town of Huntington.

Unemployment Rate Statistics

Unemployment statistics are not available for the Village. The information set forth below with respect to the Town of Huntington, the County and the State is included for information purposes only. It should not be implied from the inclusion of such data in this Official Statement that the Village is necessarily representative of the Town, County or the State.

<u>Annual Averages:</u>	<u>Town of Huntington (%)</u>	<u>County of Suffolk (%)</u>	<u>New York State (%)</u>
2016	3.7	4.3	4.9
2017	4.3	4.8	5.1
2018	3.4	3.9	4.1
2019	3.3	3.7	4.0
2020	7.8	8.4	10.0

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, bonds 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.

In general, the Local Finance Law contains similar 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 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).

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Computation of Debt Limit and Calculation of Net Debt Contracting Margin
(As of April 13, 2021)

<u>Fiscal Year Ending May 31:</u>	<u>Assessed Valuation</u>	<u>State Equal. Rate (%)</u>	<u>Full Valuation</u>
2017	\$14,487,477	0.84	\$1,724,699,643
2018	14,422,583	0.84	1,716,974,167
2019	14,340,946	0.82	1,748,895,854
2020	14,272,616	0.80	1,784,077,000
2021	14,189,431	0.75	<u>1,891,924,133</u>
Total Five Year Full Valuation			\$8,866,570,797
Average Five Year Full Valuation			1,773,314,159
Debt Limit - 7% of Average Full Valuation			124,131,991
Inclusions:			
General Purpose Bonds			1,200,000
Bond Anticipation Notes			<u>0</u>
Total Inclusions			<u>1,200,000</u>
Exclusions:			
Appropriations			<u>245,000</u>
Total Exclusions			<u>245,000</u>
Total Net Indebtedness Before Issuing the Bonds			<u>955,000</u>
The Bonds			955,000
Less: BANs Being Redeemed by the Bonds			<u>0</u>
Net Effect of the Bonds			<u>955,000</u>
Total Net Indebtedness After Issuing the Bonds			1,910,000
Net Debt Contracting Margin			<u><u>\$122,221,991</u></u>
Percent of Debt Contracting Margin Exhausted (%)			1.54

Details of Short-Term Indebtedness Outstanding
(As of April 13, 2021)

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

Debt Service Requirements - Outstanding Bonds

Fiscal Year Ending May 31:	Principal	Interest	Total
2021	\$345,000	\$29,140	\$374,140
2022	205,000	20,678	225,678
2023	210,000	16,820	226,820
2024	210,000	12,535	222,535
2025	215,000	7,905	222,905
2026	115,000	2,818	117,818
Totals	<u>\$1,300,000</u>	<u>\$89,895</u>	<u>\$1,389,895</u>

Authorized but Unissued Indebtedness

As of the date of this Official Statement, the Village has \$1,910,000 authorized but unissued debt outstanding for various improvements. \$955,000 of such amount will be financed with the issuance of the Bonds. The Village expects to issue the balance of the authorization during the second quarter of the calendar year.

Capital Project Plans

The Village is generally responsible for providing services as required to the residents on a Village-wide basis. The Village maintains a road system necessitating road resurfacing and improvements and sidewalk improvements and the acquisition of machinery and equipment from time to time. 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 facilities. In general, needs for capital funding for the above described projects for which the Village has the responsibility are anticipated to continue and to be in approximately the same amounts as have prevailed in the past. With respect to new financing by the Village, bond authorizations are not anticipated to be substantially different than have generally prevailed in the past.

Trend of Outstanding Debt

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Bonds	\$2,605,000	\$2,355,000	\$2,010,000	\$1,655,000	\$1,300,000
BAN's	-	-	-	-	0
Other	-	-	-	-	-
Total Debt Outstanding	<u>\$2,605,000</u>	<u>\$2,355,000</u>	<u>\$2,010,000</u>	<u>\$1,655,000</u>	<u>\$1,300,000</u>

Source: Annual Financial Statements.

Calculation of Estimated Overlapping and Underlying Indebtedness

<u>Overlapping Units</u>	<u>Date of Report</u>	<u>Percentage Applicable (%)</u>	<u>Applicable Total Indebtedness</u>	<u>Applicable Net Indebtedness</u>
County of Suffolk	12/03/2020	0.67	\$12,341,287	\$9,144,666
Town of Huntington	09/04/2020	4.63	4,741,351	3,347,144
Cold Spring Harbor CSD	11/15/2020	52.65	2,785,185	2,367,407
Totals			\$19,867,823	\$14,859,217

Source: Annual Reports of the respective units for the most recently completed fiscal year on file with the Office of the State Comptroller or more recently published Official Statements.

Debt Ratios (As of April 13, 2021)

	<u>Amount^a</u>	<u>Per Capita^b</u>	<u>Percentage Of Full Value (%)^c</u>
Total Direct Debt	\$ 1,200,000	\$ 326	0.063
Net Direct Debt	955,000	260	0.050
Total Direct & Applicable Total Overlapping Debt	21,067,823	5,730	1.114
Net Direct & Applicable Net Overlapping Debt	15,814,217	4,301	0.836

a. Exclusive of the Bonds.

b. The current estimated population of the village is 3,677.

c. The full valuation of taxable real property in the Village for 2020-21 is \$1,891,924,133.

FINANCES OF THE VILLAGE

Independent Audit

The Village maintains its financial records in accordance with the Uniform System of Accounts for Villages prescribed by the State Comptroller. 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 and Annual Financial Report Update Document (unaudited) for submission to the State Comptroller. The last such annual report made available for public inspection covers the fiscal year ended May 31, 2020 and is attached as Appendix B. 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 two basic fund types: (1) governmental funds that are used to account for basic services and capital projects; (2) 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, 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 Mayor is responsible for the preparation and submission of the tentative annual budget to the Board. The Village Board reviews the tentative budget and prepares a preliminary budget and a public hearing is held thereon. Subsequent to the public hearing, revisions (if any) are made. The budget is then adopted by the Village Board as final for the year beginning June 1. The budget is not subject to referendum. Municipal law provides that no expenditures may exceed budgeted appropriations. Any revisions to the annual budget proposed to accommodate changes in departments or other programs must be adopted by resolution of the Village Board.

Revenues

The Village receives most of its revenues from a real property tax on all non-exempt real property situated within the Village, non-property taxes, departmental income and state aid. 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. 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 of 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.

Based on the unaudited financial results, the Village received approximately 4.55% of its total General Fund operating revenue from State aid in the fiscal year ending May 31, 2020. There is no assurance, however, that State appropriations for aid to municipalities will continue, either pursuant to existing formulas or in any form whatsoever. The State is not constitutionally obligated to maintain or continue such aid and, in fact, the State has drastically reduced funding to municipalities and school districts in the last several years in order to balance its own budget.

Although the Village cannot predict at this time whether there will be any delays and/or reductions in State aid in the current year or in future fiscal years or whether there will be additional Federal Stimulus Act monies made available to pay State aid in future years, the Village may be able to mitigate the impact of any delays or reductions by reducing expenditures, increasing revenues appropriating other available funds on hand, and/or by any combination of the foregoing.

The State is not constitutionally obligated to maintain or continue State aid to the Village. No assurance can be given that present State aid levels will be maintained in the future. Currently, due the outbreak of COVID-19 the State has declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to negatively impact the State’s economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time; however, it is anticipated that the State will experience budgetary restrictions which will require certain gap-closing actions. Such actions may include, but are not limited to: reductions in State agency operations and/or the delay, elimination or substantial reduction in payments to municipalities, school districts or other recipients of State aid in the State. If this were to occur, reductions in the payment of State aid could adversely affect the financial condition of municipalities and school districts in the State, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

In October 30, 2020, the New York State Division of the Budget released the fiscal year ending 2021 First Quarterly State Budget Financial Plan Update, which projects a \$14.9 billion General Fund revenue decline and a 15.3% decline in tax receipts from prior budget forecasts. The State further projects a total revenue loss of \$63 billion through the State’s fiscal year ending 2024 as a direct consequence of the COVID-19 pandemic. The State has announced that in the absence of Federal funding to offset this revenue loss, the State has begun to take steps to reduce spending, including but not limited to, temporarily holding back 20% of most aid payments to local governments and school districts. According to the State, all or a portion of such temporary reductions in aid payments may be converted to permanent reductions, depending on the size and timing of any new Federal aid. Such reductions or delays in the payment of State aid could adversely affect the financial condition of municipalities and school districts in the State.

The following table sets forth the percentage of the Village’s General Fund revenue comprised of State Aid for each of the fiscal years 2016 through 2020 and the amounts budgeted for 2021.

<u>Fiscal Year December 31:</u>	<u>Total Revenue</u>	<u>State Aid</u>	<u>State Aid To Revenues (%)</u>
2016	\$7,635,170	\$272,641	3.57
2017	7,669,885	282,800	3.69
2018	8,038,044	405,842	5.05
2019	8,077,379	307,087	3.80
2020	8,277,763	376,838	4.55
2021 (Budgeted)	8,528,081	288,300	3.38

Sources: Annual Financial Reports (2016-2020) and Adopted Budget of the Village (2021)

The State Comptroller's Fiscal Stress Monitoring System and OSC Compliance Reviews

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

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

The most current applicable report of OSC designates the Village as "No Designation" (Fiscal Score: 6.7%, Environmental Score: 3.3%) in 2019. More information on the FSMS may be obtained from the Office of the State Comptroller.

In addition, OSC helps local government officials manage government resources efficiently and effectively. The Comptroller oversees the fiscal affairs of local governments statewide, as well as compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished, in part, through its audits, which identify opportunities for improving operations and governance. There have been no audits in the last five fiscal years.

Employee Pension System

Substantially all employees of the Village are members of the New York State and Local Employees' Retirement System ("ERS") or the State and Local Police and Fire Retirement System ("PFRS" and together with ERS, the "Retirement System"). The Retirement System is a cost-sharing multiple public employee 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 System 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, as discussed below, whose benefits vest after ten years of credited service. The Retirement System Law generally provides that all participating employers in the Retirement System are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 and before January 1, 2010 must contribute three percent of their gross annual salary towards the costs of retirement programs until they attain ten years in the Retirement System, at such time contributions become voluntary. On December 10, 2009, then Governor Paterson signed into law the creation of a new Tier 5, which is effective for new ERS employees hired on or after January 1, 2010. New ERS employees in Tier 5 contribute 3% of their salaries. There is no provision for these contributions to cease for Tier 5 employees after a certain period of service.

Pension reform legislation changed the billing cycle for employer contributions to the ERS retirement system to match budget cycles of the Village. Under the previous method, the Village was not provided with required payment until after the budget was implemented. Under the reforms implemented, the employer contribution for a given fiscal year is based on the value of the pension fund on the prior April 1, instead of the following April 1. As a result, the Village is notified of and can include the actual cost of the employer contribution in its budget. Legislation also required a minimum payment of 4.5% of payroll each year, including years in which investment performance of the fund would make a lower employer contribution possible.

In addition, the pension payment date for all local governments was changed from December 15 to February 1 and permits the legislative body of a municipality to establish a retirement contribution reserve fund for the purpose of financing retirement contributions in the future. The New York State Retirement System has advised the Village that municipalities can elect to make employer contribution payments in the December or the following February, as required. If such payments are made in the December prior to the scheduled payment date in February, such payments may be made at a discount amount.

On March 16, 2012, Governor Cuomo signed into law the new Tier 6 pension program, effective for new 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 the recent past, 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 <u>Ending May 31:</u>	<u>ERS</u>	<u>PFRS</u>	<u>Total</u>
2017	\$162,936	\$605,029	\$767,965
2018	140,580	503,246	643,826
2019	143,069	412,775	555,844
2020	155,300	378,851	534,151
2021 (Budgeted)	175,000	460,000	635,000

Source: Village Officials.

Expenditures

The major categories of expenditure for the Village are General Government Support, Public Safety, Transportation, 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.

Other Post-Employment Benefits

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. 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. 75 ("GASB 75") described below requires such accounting.

GASB 75 of the Governmental Accounting Standards Board ("GASB"), requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and other non-pension benefits ("OPEB"). GASB 75 generally requires that employers account for and report the annual cost of the OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as they currently do for pensions. Under previous rules, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements. Only current payments to existing retirees were recorded as an expense.

GASB 75 requires that state and local governments adopt the actuarial methodologies to determine annual OPEB costs. Annual OPEB cost for most employers will be based on actuarially determined amounts that, if paid on an ongoing basis, generally would provide sufficient resources to pay benefits as they come due.

During the year ended May 31, 2018, the Village adopted GASB 75, which eliminates GASB 45. Under GASB 75, based on actuarial valuation, an annual required contribution ("ARC") will be determined for each state or local government. 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 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 75 establishes new standards for recognizing and measuring OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures to provide more transparent reporting and useful information about the liability and cost of benefits. Municipalities and school districts are required to account for OPEB within the financial statements rather than only noted in the footnotes as previously required by GASB 45. It is measured as of a date no earlier than the end of the employer's prior fiscal year and no later than the employer's current fiscal year. The discount rate is based on 20-year, tax exempt general obligation municipal bonds. There is no amortization of prior service cost.

Those that have 200 or more participants are required to have full actuarial valuation annually. Plans with fewer than 200 participants are required to have a full valuation every two years.

Total OPEB Liability at May 31, 2019	<u>\$16,785,506</u>
Charges for the Year:	
Service Cost	603,361
Interest	600,665
Differences Between Expected and Actual Experience	(514,088)
Changes in Benefit Terms	
Changes in Assumptions or Other Inputs	4,473,511
Benefit Payments	(556,634)
Net Changes	<u>4,606,815</u>
Total OPEB Liability at May 31, 2020	<u><u>\$21,392,321</u></u>

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 of debt contracting and real property taxing limitations.

The following table sets forth the percentage of the Village's General Fund revenue (excluding other financing sources) comprised of real property taxes for each of the fiscal years 2016 through 2020, inclusive and as budgeted for 2021.

Fiscal Year Ending May 31:	General Fund Total Revenue	Real Property Taxes	Real Property Taxes to Revenues (%)
2016	\$7,635,170	\$6,045,975	79.19
2017	7,669,885	6,177,078	80.54
2018	8,038,044	6,351,637	79.02
2019	8,077,379	6,498,272	80.45
2020	8,277,763	6,585,860	79.56
2021 (Budgeted)	8,528,081	6,594,571	77.33

Sources: Annual Financial Reports of the Village (2016-2020) and Adopted Budgets of the Village (2021).

Tax Collection Procedure

Tax payments are due on June 1st each year and are payable without penalty up to and including July 1. Penalties for tax delinquencies are imposed at the rate of 5% for the balance of July and an additional percentage (which is set by the State each year and in recent years has approximated 1%) for each month or fraction thereof thereafter. In March of each year tax liens are sold at auction pursuant to proceedings set forth in the Real Property Tax Law. Consequently, there are usually no uncollected taxes at the end of the fiscal year.

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 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 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 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 2020-2021 fiscal year is as follows:

Five-year Average Full Valuation	\$1,725,192,469
Tax Limit - 2% thereof	34,503,849
Tax Levy for General Village Purposes	6,594,571
Less: Exclusions	<u>374,140</u>
Tax Levy Subject to Tax Limit	\$6,220,431
Constitutional Tax Margin	<u>\$28,283,418</u>

Tax Levies and Tax Rates

<u>Fiscal Year</u>	<u>Tax Levy</u>	<u>Tax Rates</u>
2015-16	\$6,045,975	\$41.61
2016-17	6,177,078	42.64
2017-18	6,351,637	44.04
2018-19	6,498,272	45.31
2019-20	6,585,860	46.14
2020-21	6,594,571	46.48

Selected Listing of Large Taxable Properties 2020-2021 Assessment Roll

<u>Name</u>	<u>Type</u>	<u>Assessed Valuation</u>
LHV Holdings	Residential	\$115,850
Laval	Residential	96,650
McGrath	Residential	54,620
Fort Hill Drive LLC	Residential	52,560
Wang	Residential	35,425
Langer	Residential	43,850
Pratt	Residential	36,975
Enzyme	Residential	28,800
Total ^a		<u><u>\$464,730</u></u>

a. Represents 3.28% of the 2020-2021 Total Taxable Assessed Valuation.

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.

IMPACT OF COVID-19

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the Village's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Currently, the COVID-19 outbreak has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to continue to affect economic growth worldwide. The outbreak caused the Federal government to declare a national state of emergency, which was followed by the enactment of a variety of stimulus measures designed to address financial stability and liquidity issues caused by the outbreak. The State also declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. Efforts to contain the spread of COVID-19 has reduced the spread of the virus in some areas and there have been recent efforts to relax some of the restrictions put in place following the initial outbreak. Nevertheless, the outbreak of COVID-19 and the dramatic steps taken by the Federal government and State to address it are expected to negatively impact

federal and local economies, including the economy of the State. The full impact of COVID-19 on the State's operations and financial condition is not expected to be known for some time. Similarly, the degree of the impact to the Village's operations and finances as a result of COVID-19 is extremely difficult to predict due to the uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions have been or may continue to be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The spread of the outbreak or resurgence later in the year could have a material adverse effect on the State and municipalities and school districts located in the State, including the Village. The Village is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. (See "*State Aid*" herein).

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.

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. The Tax Certificate of the Village (the "Tax Certificate"), which will be delivered concurrently with the delivery of the Bonds will contain provisions and procedures relating to compliance with applicable requirements of 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 provisions and procedures set forth in the Tax Certificate relating to compliance 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 the Bonds is expected to be the initial public offering price set forth in this 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 bonds 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 Bonds 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 respective final approving opinions of Hawkins Delafield & Wood LLP, Bond Counsel, substantially in the form set forth in Appendix C.

DISCLOSURE UNDERTAKING

The Bonds are not subject to a Continuing Disclosure Undertaking.

Compliance History

The Village has not completed an audited financial statement since fiscal year ending May 31, 2017. However, for each year since fiscal year ending May 31, 2017, the Village has completed the Annual Update Document all of which have been filed with New York State.

On June 13, 2017, the Village filed a material event notice for the failure to file its 2016 audited financial statements in a timely manner.

On December 5, 2019, the Village filed a material event notice for the failure to file its unaudited annual financial report to May 31, 2019 in a timely manner.

On June 8, 2020, the Village filed a material event notice for the failure to file its 2019 audited financial statements in a timely manner.

On January 8, 2021, the Village filed a material event notice for the failure to file its 2020-2021 budget and the annual financial report for fiscal year May 31, 2020 in a timely manner.

On April 7, 2021 the Village filed a material event notice for the failure to file its unaudited Financial Statements for the fiscal year ended May 31, 2017 a timely manner.

RATING

The Bonds are not rated.

MUNICIPAL 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 municipal advisor to the Village on matters relating to debt management. The Municipal Advisor is a municipal 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 upon request from the office of Jill Cervini, Village Clerk-Treasurer, Village of Lloyd Harbor, 32 Middle Hollow Road, Huntington, NY 11743, Phone (631) 549-8893, Fax (631) 549-8879 and email: jcervini@lloydharbor.org, 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>.

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are “forward-looking statements”, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the Village’s management’s beliefs as well as assumptions made by, and information currently available to, the Village’s management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the Village’s files with the repositories. When used in Village’s documents or oral presentation, the words “anticipate”, “believe”, “intend”, “plan”, “foresee”, “likely”, “estimate”, “expect”, “objective”, “projection”, “forecast”, “goal”, “will”, or “should”, or similar words or phrases are intended to identify forward-looking statements.

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

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 assume no liability or responsibility for any errors or omissions 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 various resolutions of the Village which delegates to the Village Treasurer the power to sell and issue the Bonds.

By: s/s JILL CERVINI
Village Treasurer and Chief Fiscal Officer
Village of Lloyd Harbor
Lloyd Harbor, NY

April , 2021

APPENDIX A

FINANCIAL INFORMATION

**Statement of Revenues, Expenditures and Fund Balances
General Fund**

	Year Ending May 31:				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenues:					
Real Property Taxes	\$ 6,045,975	\$ 6,177,078	\$ 6,351,637	\$ 6,498,272	\$ 6,585,860
Other Tax Items	69,700	72,702	71,847	82,800	69,670
Nonproperty Taxes	325,919	365,771	413,051	395,840	393,232
Departmental Income	543,900	531,689	547,839	609,852	618,075
Use of Money and Property	3,219	1,982	1,572	2,090	2,383
Licenses and Permits	114,145	147,237	140,199	127,725	117,030
Fines and Forfeitures	19,452	27,601	33,812	40,431	60,923
Sale of Property and Compensation for Loss	88,132	34,160	64,286	12,356	53,070
State Aid	272,641	282,800	405,842	307,087	376,838
Federal Aid	2,066	2,181	2,082		
Miscellaneous	150,021	26,684	5,877	926	682
Total Revenues	<u>7,635,170</u>	<u>7,669,885</u>	<u>8,038,044</u>	<u>8,077,379</u>	<u>8,277,763</u>
Expenditures:					
General Support	758,206	1,002,360	887,115	908,799	863,344
Public Safety	2,871,741	3,442,411	2,751,674	2,648,825	2,501,380
Transportation	922,936	555,314	555,005	754,563	910,697
Culture and Recreation	279,398	260,985	253,921	256,597	266,553
Home and Community Services	565,290	642,652	589,810	615,239	635,254
Employee Benefits	2,083,205	2,108,118	2,215,904	2,054,039	1,956,419
Debt Service	231,342	367,519	457,904	478,524	453,793
Total Expenditures	<u>7,712,118</u>	<u>8,379,359</u>	<u>7,711,333</u>	<u>7,716,586</u>	<u>7,587,440</u>
Excess (Deficiency) of Revenues & Over Expenditures	<u>(76,948)</u>	<u>(709,474)</u>	<u>326,711</u>	<u>360,793</u>	<u>690,323</u>
Other Sources (Uses):					
Operating Transfers In	150,388	7,547			
Operating Transfers Out					
Total Sources and Uses	<u>150,388</u>	<u>7,547</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and other Uses	73,440	(701,927)	326,711	360,793	690,323
Fund Balance Beginning of Year	1,995,059	2,068,499	1,376,940	1,703,651	2,031,692
Prior Period Adjustment		10,368		(32,752)	2,063
Fund Balance End of Year	<u>\$ 2,068,499</u>	<u>\$ 1,376,940</u>	<u>\$ 1,703,651</u>	<u>\$ 2,031,692</u>	<u>\$ 2,724,078</u>

Source: 2016-2020 Unaudited Annual Financial Reports of the Village

NOTE: This Schedule NOT audited.

**Balance Sheet-General Fund
Year Ending May 31**

	<u>2019</u>	<u>2020</u>
Assets:		
Cash	\$ 2,331,229	2,969,050
Receivables	57,571	54,808
Due from State and Federal	178,815	178,815
Due from Other Funds	158,948	216,300
Prepays	6,576	6,576
Restricted Assets	<u>88,443</u>	<u>120,979</u>
Total Assets:	<u>\$ 2,821,582</u>	<u>3,546,528</u>
 Liabilities:		
Accounts Payable	\$ 245,341	300,287
Accrued Liabilities	96,727	124,309
Other Liabilities	290,513	217,526
Due to Other Governments	53,241	77,040
Due to Employees' Retirement Systems	103,288	103,288
Deferred Revenues	780	
Collections in Advance		
Total Liabilities	<u>789,890</u>	<u>822,450</u>
 Fund Balances:		
Nonspendable	6,576	6,576
Restricted	88,443	120,979
Assigned	396,250	375,000
Unassigned	<u>1,540,423</u>	<u>2,221,523</u>
Total Fund Balances	<u>2,031,692</u>	<u>2,724,078</u>
Total Liabilities and Fund Balances	<u>\$ 2,821,582</u>	<u>3,546,528</u>

Sources: Unaudited Annual Financial Reports of the Village (2019-2020)

BUDGET SUMMARIES

	<u>2019-20</u>	<u>2020-2021</u>
Revenues:		
Real Property Taxes	\$ 6,585,860	\$ 6,594,571
Other Tax Items	68,000	68,000
Non-Property Tax Items	380,000	380,000
Public Safety	356,500	357,000
Culture & Recreation	285,000	305,000
Home & Community Services	10,000	10,000
Use of Money and Property	2,000	2,000
Licenses & Permits	106,000	106,000
Fines & Forfeitures	25,000	40,000
Sale of Property	1,710	1,710
Miscellaneous	500	500
State & Federal Aid	267,300	288,300
Operating Transfers In		
Appropriated Fund Balance	<u>375,000</u>	<u>375,000</u>
Total Revenues	<u>\$ 8,462,870</u>	<u>\$ 8,528,081</u>
Expenditures:		
General Government Support	\$ 1,001,510	\$ 1,012,454
Public Safety	2,567,503	2,666,549
Public Works & Highways	1,105,315	1,143,979
Culture and Recreation	297,876	337,206
Home and Community Services	764,486	741,753
Employee Benefits	2,334,065	2,252,000
Debt Service	<u>392,115</u>	<u>374,140</u>
Total Expenditures	<u>\$ 8,462,870</u>	<u>\$ 8,528,081</u>

Source: Adopted Budgets of the Village

VILLAGE OF LLOYD HARBOR

APPENDIX B

**UNAUDITED ANNUAL FINANCIAL REPORT UPDATE DOCUMENT
FOR THE FISCAL YEAR ENDED MAY 31, 2020**

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.

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

ANNUAL FINANCIAL REPORT
UPDATE DOCUMENT
For The
VILLAGE of Lloyd Harbor
County of Suffolk
For the Fiscal Year Ended 05/31/2020

AUTHORIZATION

ARTICLE 3, SECTION 30 of the GENERAL MUNICIPAL LAW:

1. ***Every Municipal Corporation *** shall annually make a report of its financial condition to the Comptroller. Such report shall be made by the Chief Fiscal Officer of such Municipal Corporation ***
5. All reports shall be certified by the officer making the same and shall be filed with the Comptroller *** It shall be the duty of the incumbent officer at the time such reports are required to be filed with the Comptroller to file such report ***

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

VILLAGE OF Lloyd Harbor

*** FINANCIAL SECTION ***

Financial Information for the following funds and account groups are included in the Annual Financial Report filed by your government for the fiscal year ended 2019 and has been used by the OSC as the basis for preparing this update document for the fiscal year ended 2020:

- (A) GENERAL
- (CM) MISCELLANEOUS SPECIAL REV
- (H) CAPITAL PROJECTS
- (K) GENERAL FIXED ASSETS
- (TA) AGENCY
- (TE) PRIVATE PURPOSE TRUST
- (W) GENERAL LONG-TERM DEBT

All amounts included in this update document for 2019 represent data filed by your government with OSC as reviewed and adjusted where necessary.

*** SUPPLEMENTAL SECTION ***

The Supplemental Section includes the following sections:

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

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

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(A) GENERAL

Balance Sheet

Code Description	2019	EdpCode	2020
Assets			
Cash	2,330,404	A200	2,968,225
Petty Cash	825	A210	825
TOTAL Cash	2,331,229		2,969,050
Accounts Receivable	57,571	A380	54,808
TOTAL Other Receivables (net)	57,571		54,808
Due From State And Federal Government	178,815	A410	178,815
TOTAL State And Federal Aid Receivables	178,815		178,815
Due From Other Funds	158,948	A391	216,300
TOTAL Due From Other Funds	158,948		216,300
Prepaid Expenses	6,576	A480	6,576
TOTAL Prepaid Expenses	6,576		6,576
Cash Special Reserves	88,443	A230	120,979
TOTAL Restricted Assets	88,443		120,979
TOTAL Assets and Deferred Outflows of Resources	2,821,582		3,546,528

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(A) GENERAL

Balance Sheet

Code Description	2019	EdpCode	2020
Accounts Payable	245,341	A600	300,287
TOTAL Accounts Payable	245,341		300,287
Accrued Liabilities	96,727	A601	124,309
TOTAL Accrued Liabilities	96,727		124,309
Overpayments & Clearing Account	290,513	A690	217,526
TOTAL Other Liabilities	290,513		217,526
Due To Other Governments	53,241	A631	77,040
Due To Employees' Retirement System	103,288	A637	103,288
TOTAL Due To Other Governments	156,529		180,328
TOTAL Liabilities	789,110		822,450
Deferred Inflows of Resources			
Deferred Inflow of Resources	780	A691	
TOTAL Deferred Inflows of Resources	780		0
TOTAL Deferred Inflows of Resources	780		0
Fund Balance			
Not in Spendable Form	6,576	A806	6,576
TOTAL Nonspendable Fund Balance	6,576		6,576
Reserve for Emp Benefits & Acc Liabilities	80,896	A867	120,979
Reserve For Debt	7,547	A884	
TOTAL Restricted Fund Balance	88,443		120,979
Assigned Appropriated Fund Balance	375,000	A914	375,000
Assigned Unappropriated Fund Balance	21,250	A915	
TOTAL Assigned Fund Balance	396,250		375,000
Unassigned Fund Balance	1,540,423	A917	2,221,523
TOTAL Unassigned Fund Balance	1,540,423		2,221,523
TOTAL Fund Balance	2,031,692		2,724,078
TOTAL Liabilities, Deferred Inflows And Fund Balance	2,821,582		3,546,528

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(A) GENERAL

Results of Operation

Code Description	2019	EdpCode	2020
Revenues			
Real Property Taxes	6,498,272	A1001	6,585,860
TOTAL Real Property Taxes	6,498,272		6,585,860
Other Payments In Lieu of Taxes	44,858	A1081	43,726
Interest & Penalties On Real Prop Taxes	37,942	A1090	25,944
TOTAL Real Property Tax Items	82,800		69,670
Non Prop Tax Dist By County	242,585	A1120	242,585
Utilities Gross Receipts Tax	71,800	A1130	68,759
Franchises	81,455	A1170	81,888
TOTAL Non Property Tax Items	395,840		393,232
Charges For Tax Redemption		A1235	
Police Fees	250	A1520	130
Safety Inspection Fees	329,988	A1560	335,147
Public Works Charges	4,793	A1710	3,857
Park And Recreational Charges	242,607	A2001	247,518
Special Recreational Facility Charges	18,965	A2025	19,075
Zoning Fees	4,615	A2110	1,348
Planning Board Fees	8,634	A2115	11,000
TOTAL Departmental Income	609,852		618,075
Interest And Earnings	2,090	A2401	2,383
TOTAL Use of Money And Property	2,090		2,383
Business & Occupational License	19,100	A2501	15,700
Permits, Other	108,625	A2590	101,330
TOTAL Licenses And Permits	127,725		117,030
Fines And Forfeited Bail	40,431	A2610	60,923
TOTAL Fines And Forfeitures	40,431		60,923
Sales, Other	250	A2655	9,788
Sales of Equipment	2,435	A2665	1,025
Insurance Recoveries	9,543	A2680	42,257
Other Compensation For Loss	128	A2690	
TOTAL Sale of Property And Compensation For Loss	12,356		53,070
Unclassified (specify)	926	A2770	682
TOTAL Miscellaneous Local Sources	926		682
St Aid, Revenue Sharing	14,373	A3001	74,464
St Aid, Mortgage Tax	177,665	A3005	133,242
St Aid - Other (specify)	2,593	A3089	2,017
St Aid, Consolidated Highway Aid	112,456	A3501	167,115
TOTAL State Aid	307,087		376,838
TOTAL Revenues	8,077,379		8,277,763
TOTAL Detail Revenues And Other Sources	8,077,379		8,277,763

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(A) GENERAL

Results of Operation

Code Description	2019	EdpCode	2020
Expenditures			
Legislative Board, Contr Expend	33,148	A10104	20,504
TOTAL Legislative Board	33,148		20,504
Municipal Court, Pers Serv	29,099	A11101	29,822
Municipal Court, Contr Expend	10,431	A11104	6,850
TOTAL Municipal Court	39,530		36,672
Treasurer, Pers Serv	316,881	A13251	321,461
Treasurer, Contr Expend	62,876	A13254	76,053
TOTAL Treasurer	379,757		397,514
Assessment, Contr Expend	3,737	A13554	19
TOTAL Assessment	3,737		19
Law, Contr Expend	261,158	A14204	296,432
TOTAL Law	261,158		296,432
Engineer, Contr Expend	42,637	A14404	8,831
TOTAL Engineer	42,637		8,831
Elections, Contr Expend		A14504	817
TOTAL Elections	0		817
Buildings, Equip & Cap Outlay	142	A16202	
Buildings, Contr Expend	42,002	A16204	33,446
TOTAL Buildings	42,144		33,446
Unallocated Insurance, Contr Expend	36,060	A19104	25,873
TOTAL Unallocated Insurance	36,060		25,873
Municipal Assn Dues, Contr Expend		A19204	
TOTAL Municipal Assn Dues	0		0
Judgements And Claims, Contr Expend	45,932	A19304	37,843
TOTAL Judgements And Claims	45,932		37,843
Payment of Mta Payroll Tax, contr Expend	24,696	A19804	5,393
TOTAL Payment of Mta Payroll Tax	24,696		5,393
TOTAL General Government Support	908,799		863,344
Police, Pers Serv	2,210,435	A31201	1,991,623
Police, Equip & Cap Outlay	24,885	A31202	43,243
Police, Contr Expend	236,693	A31204	281,511
TOTAL Police	2,472,013		2,316,377
Traffic Control, Contr Expen	11,030	A33104	8,858
TOTAL Traffic Control	11,030		8,858
Safety Inspection, Contr Expend	112,337	A36204	145,356
TOTAL Safety Inspection	112,337		145,356
Misc Public Safety, Pers Serv	14,569	A39891	16,851
Misc Public Safety, Equip & Cap Outlay	24,395	A39892	602
Misc Public Safety, Contr Expend	14,481	A39894	13,336
TOTAL Misc Public Safety	53,445		30,789
TOTAL Public Safety	2,648,825		2,501,380
Maint of Streets, Pers Serv	370,420	A51101	395,322
Maint of Streets, Equip & Cap Outlay	1,291	A51102	23,085
Maint of Streets, Contr Expend	345,790	A51104	453,805
TOTAL Maint of Streets	717,501		872,212

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(A) GENERAL

Results of Operation

Code Description	2019	EdpCode	2020
Expenditures			
Snow Removal, Pers Serv	16,088	A51421	22,935
Snow Removal, Contr Expend	20,974	A51424	15,550
TOTAL Snow Removal	37,062		38,485
TOTAL Transportation	754,563		910,697
Parks, Pers Serv	164,812	A71101	160,040
Parks, Contr Expend	91,785	A71104	106,513
TOTAL Parks	256,597		266,553
TOTAL Culture And Recreation	256,597		266,553
Zoning, Contr Expend	2,232	A80104	405
TOTAL Zoning	2,232		405
Planning, Contr Expend	406	A80204	745
TOTAL Planning	406		745
Joint Planning Board, Contr Expend		A80254	128
TOTAL Joint Planning Board	0		128
Refuse & Garbage, Pers Serv	372,970	A81601	395,809
Refuse & Garbage, Equip & Cap Outlay		A81602	
Refuse & Garbage, Contr Expend	233,057	A81604	233,922
TOTAL Refuse & Garbage	606,027		629,731
Conservation, Contr Expend	6,574	A87104	4,245
TOTAL Conservation	6,574		4,245
TOTAL Home And Community Services	615,239		635,254
State Retirement System	137,051	A90108	143,069
Police & Firemen Retirement, Empl Bnfts	483,654	A90158	412,775
Social Security, Employer Cont	205,172	A90308	212,109
Worker's Compensation, Empl Bnfts	139,894	A90408	125,587
Life Insurance, Empl Bnfts	1,711	A90458	1,724
Unemployment Insurance, Empl Bnfts		A90508	3,535
Disability Insurance, Empl Bnfts	628	A90558	652
Hospital & Medical (dental) Ins, Empl Bnft	1,085,929	A90608	1,056,968
TOTAL Employee Benefits	2,054,039		1,956,419
Debt Principal, Serial Bonds	355,000	A97106	355,000
Install Pur Debt, Principal	76,019	A97856	56,607
TOTAL Debt Principal	431,019		411,607
Debt Interest, Serial Bonds	44,528	A97107	37,115
Install Pur Debt, Interest	2,977	A97857	5,071
TOTAL Debt Interest	47,505		42,186
TOTAL Expenditures	7,716,586		7,587,440
TOTAL Detail Expenditures And Other Uses	7,716,586		7,587,440

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(A) GENERAL

Analysis of Changes in Fund Balance

Code Description	2019	EdpCode	2020
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	1,703,652	A8021	2,031,692
Prior Period Adj -Increase In Fund Balance		A8012	2,063
Prior Period Adj -Decrease In Fund Balance	32,753	A8015	
Restated Fund Balance - Beg of Year	1,670,899	A8022	2,033,755
ADD - REVENUES AND OTHER SOURCES	8,077,379		8,277,763
DEDUCT - EXPENDITURES AND OTHER USES	7,716,586		7,587,440
Fund Balance - End of Year	2,031,692	A8029	2,724,078

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(A) GENERAL

Budget Summary

Code Description	2020	EdpCode	2021
Estimated Revenues			
Est Rev - Real Property Taxes	6,585,860	A1049N	6,594,571
Est Rev - Real Property Tax Items	68,000	A1099N	68,000
Est Rev - Non Property Tax Items	380,000	A1199N	380,000
Est Rev - Departmental Income	651,500	A1299N	672,000
Est Rev - Use of Money And Property	2,000	A2499N	2,000
Est Rev - Licenses And Permits	106,000	A2599N	106,000
Est Rev - Fines And Forfeitures	25,000	A2649N	40,000
Est Rev - Sale of Prop And Comp For Loss	1,710	A2699N	1,710
Est Rev - Miscellaneous Local Sources	500	A2799N	500
Est Rev - State Aid	265,300	A3099N	286,300
Est Rev - Federal Aid	2,000	A4099N	2,000
TOTAL Estimated Revenues	8,087,870		8,153,081
Appropriated Fund Balance	375,000	A599N	375,000
TOTAL Estimated Other Sources	375,000		375,000
TOTAL Estimated Revenues And Other Sources	8,462,870		8,528,081

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(A) GENERAL

Budget Summary

Code Description	2020	EdpCode	2021
Appropriations			
App - General Government Support	1,001,510	A1999N	1,012,454
App - Public Safety	2,782,878	A3999N	2,926,123
App - Transportation	889,940	A5999N	884,404
App - Culture And Recreation	297,876	A7999N	337,236
App - Home And Community Services	764,486	A8999N	741,724
App - Employee Benefits	2,334,065	A9199N	2,252,000
App - Debt Service	392,115	A9899N	374,140
TOTAL Appropriations	8,462,870		8,528,081
TOTAL Appropriations And Other Uses	8,462,870		8,528,081

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(CM) MISCELLANEOUS SPECIAL REV

Balance Sheet

Code Description	2019	EdpCode	2020
Assets			
Cash Special Reserves	21,896	CM230	21,896
TOTAL Restricted Assets	21,896		21,896
TOTAL Assets and Deferred Outflows of Resources	21,896		21,896

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(CM) MISCELLANEOUS SPECIAL REV

Balance Sheet

Code Description	2019	EdpCode	2020
Fund Balance			
Other Restricted Fund Balance	21,896	CM899	21,896
TOTAL Restricted Fund Balance	21,896		21,896
TOTAL Fund Balance	21,896		21,896
TOTAL Liabilities, Deferred Inflows And Fund Balance	21,896		21,896

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(CM) MISCELLANEOUS SPECIAL REV

Results of Operation

Code Description	2019	EdpCode	2020
Revenues			
Gifts And Donations	15,000	CM2705	
TOTAL Miscellaneous Local Sources	15,000		0
TOTAL Revenues	15,000		0
TOTAL Detail Revenues And Other Sources	15,000		0

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

Results of Operation

Code Description	2019	EdpCode	2020
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VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(CM) MISCELLANEOUS SPECIAL REV

Analysis of Changes in Fund Balance

Code Description	2019	EdpCode	2020
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year		CM8021	21,896
Prior Period Adj -Increase In Fund Balance	6,896	CM8012	
Restated Fund Balance - Beg of Year	6,896	CM8022	21,896
ADD - REVENUES AND OTHER SOURCES	15,000		
Fund Balance - End of Year	21,896	CM8029	21,896

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2019	EdpCode	2020
Assets			
Cash	398,810	H200	322,504
TOTAL Cash	398,810		322,504
Due From State And Federal Government	19,700	H410	19,700
TOTAL State And Federal Aid Receivables	19,700		19,700
Cash Special Reserves	617,956	H230	552,444
TOTAL Restricted Assets	617,956		552,444
TOTAL Assets and Deferred Outflows of Resources	1,036,466		894,648

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2019	EdpCode	2020
Accounts Payable	9,583	H600	9,583
TOTAL Accounts Payable	9,583		9,583
Due To Other Funds	156,723	H630	67,064
TOTAL Due To Other Funds	156,723		67,064
TOTAL Liabilities	166,306		76,647
Deferred Inflows of Resources			
Deferred Inflow of Resources	17,716	H691	17,716
TOTAL Deferred Inflows of Resources	17,716		17,716
TOTAL Deferred Inflows of Resources	17,716		17,716
Fund Balance			
Capital Reserve	617,956	H878	552,444
TOTAL Restricted Fund Balance	617,956		552,444
Assigned Unappropriated Fund Balance	234,488	H915	247,841
TOTAL Assigned Fund Balance	234,488		247,841
TOTAL Fund Balance	852,444		800,285
TOTAL Liabilities, Deferred Inflows And Fund Balance	1,036,466		894,648

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(H) CAPITAL PROJECTS

Results of Operation

Code Description	2019	EdpCode	2020
Revenues			
St Aid-Capital Projects	50,000	H3097	
TOTAL State Aid	50,000		0
TOTAL Revenues	50,000		0
Installment Purchase Debt	77,694	H5785	162,516
TOTAL Proceeds of Obligations	77,694		162,516
TOTAL Other Sources	77,694		162,516
TOTAL Detail Revenues And Other Sources	127,694		162,516

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(H) CAPITAL PROJECTS

Results of Operation

Code Description	2019	EdpCode	2020
Expenditures			
Buildings, Equip & Cap Outlay	284,394	H16202	214,675
TOTAL Buildings	284,394		214,675
TOTAL General Government Support	284,394		214,675
TOTAL Expenditures	284,394		214,675
TOTAL Detail Expenditures And Other Uses	284,394		214,675

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(H) CAPITAL PROJECTS

Analysis of Changes in Fund Balance

Code Description	2019	EdpCode	2020
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	1,009,144	H8021	852,444
Restated Fund Balance - Beg of Year	1,009,144	H8022	852,444
ADD - REVENUES AND OTHER SOURCES	127,694		162,516
DEDUCT - EXPENDITURES AND OTHER USES	284,394		214,675
Fund Balance - End of Year	852,444	H8029	800,285

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2019	EdpCode	2020
Assets			
Land	1,301,994	K101	1,301,994
Buildings	2,396,582	K102	2,612,325
Machinery And Equipment	2,552,061	K104	2,812,229
Construction Work In Progress	43,586	K105	
Infrastructure	7,831,842	K106	7,642,172
Accum Deprec, Buildings		K112	-1,506,078
Accum Depr, Machinery & Equip		K114	-1,741,727
Accum Deprec, Infrastructure		K116	-2,899,278
TOTAL Fixed Assets (net)	14,126,065		8,221,637
TOTAL Assets and Deferred Outflows of Resources	14,126,065		8,221,637

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2019	EdpCode	2020
Liabilities, Deferred Inflows And Fund Balance			
Total Non-Current Govt Assets	14,126,065	K159	8,221,637
TOTAL Investments in Non-Current Government Assets	14,126,065		8,221,637
TOTAL Fund Balance	14,126,065		8,221,637
TOTAL	14,126,065		8,221,637

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(TA) AGENCY

Balance Sheet

Code Description	2019	EdpCode	2020
Assets			
Cash	376,252	TA200	476,568
TOTAL Cash	376,252		476,568
TOTAL Assets and Deferred Outflows of Resources	376,252		476,568

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(TA) AGENCY

Balance Sheet

Code Description	2019	EdpCode	2020
Due To Other Funds	2,225	TA630	149,237
TOTAL Due To Other Funds	2,225		149,237
State Retirement	4,879	TA18	6,569
Nys Income Tax	1,795	TA21	1,825
Federal Income Tax	-437	TA22	-356
Assoc & Union Dues	40	TA24	2,020
U.S. Savings Bonds	700	TA25	700
Social Security Tax	-2,182	TA26	-2,001
Guaranty & Bid Deposits	374,566	TA30	323,908
Tax Redemptions	-5,334	TA40	-5,334
TOTAL Agency Liabilities	374,027		327,331
TOTAL Liabilities	376,252		476,568
TOTAL Liabilities, Deferred Inflows And Fund Balance	376,252		476,568

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(TE) PRIVATE PURPOSE TRUST

Balance Sheet

Code Description	2019	EdpCode	2020
Assets			
Cash		TE200	
TOTAL Cash	0		0
TOTAL Assets and Deferred Outflows of Resources	0		0

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(TE) PRIVATE PURPOSE TRUST

Balance Sheet

Code Description	2019	EdpCode	2020
Fund Balance			
Net Assets-Restricted For Other Purposes		TE923	
TOTAL Assigned Fund Balance	0		0
TOTAL Fund Balance	0		0
TOTAL Liabilities, Deferred Inflows And Fund Balance	0		0

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

Results of Operation

Code Description	2019	EdpCode	2020
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VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

Results of Operation

Code Description	2019	EdpCode	2020
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VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(TE) PRIVATE PURPOSE TRUST

Analysis of Changes in Net Position

Code Description	2019	EdpCode	2020
Analysis of Changes in Net Position			
Fund Balance - Beginning of Year	6,896	TE8021	
Prior Period Adjustments,dec Fnd Eqty	6,896	TE8015	
Restated Fund Balance - Beg of Year		TE8022	
Fund Balance - End of Year		TE8029	

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2019	EdpCode	2020
Assets			
Total Non-Current Govt Liabilities	7,476,314	W129	24,014,033
TOTAL Provision To Be Made In Future Budgets	7,476,314		24,014,033
TOTAL Assets and Deferred Outflows of Resources	7,476,314		24,014,033

VILLAGE OF Lloyd Harbor
Annual Update Document
For the Fiscal Year Ending 2020

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2019	EdpCode	2020
Net Pension Liability -Proportionate Share	1,080,689	W638	1,080,689
Total OPEB Liability	4,492,754	W683	21,392,321
Installment Purchase Debt	67,505	W685	173,414
Compensated Absences	180,366	W687	67,609
TOTAL Other Liabilities	5,821,314		22,714,033
Due To Employees' Retirement System		W637	
TOTAL Due To Other Governments	0		0
Bonds Payable	1,655,000	W628	1,300,000
TOTAL Bond And Long Term Liabilities	1,655,000		1,300,000
TOTAL Liabilities	7,476,314		24,014,033
TOTAL Liabilities	7,476,314		24,014,033

VILLAGE OF Lloyd Harbor
Statement of Indebtedness
For the Fiscal Year Ending 2020

9/30/2020

County of: Suffolk

Municipal Code: 470441102770

First Year	Debt Code	Description	Cops Flag	Comp Flag	Date of Issue	Date of Maturity	Int. Rate	Var?	Amt. Orig. Issued	O/S Beg. of Year	Paid Dur. Year	Redeemed Bond Proc.	Prior Yr. Adjust.	Accreted Interest	O/S End of Year
2019	IPC E	2019 Chevy Tahoe (2)			12/03/2018	12/03/2022	6.70%		\$77,694	\$60,077	\$13,591	\$0	\$0		\$46,486
2020	IPC E	Garbage Truck			12/11/2019	12/11/2023	4.00%		\$162,516	\$0	\$35,588		\$0		\$126,928
2016	IPC E	2015 Chevrolet Tahoe			08/12/2015	09/14/2020	3.00%		\$37,140	\$7,428	\$7,428	\$0	\$0		\$0
Total for Type/Exempt Status - Sums Issued Amts only made in AFR Year									\$162,516	\$67,505	\$56,607	\$0	\$0	\$0	\$173,414
2011	BOND N	Capital Projects			05/27/2011	05/31/2021	3.50%		\$886,225	\$190,000	\$95,000	\$0	\$0		\$95,000
2012	BOND N	Road Improvements			04/11/2012	05/15/2021	2.25%		\$400,000	\$100,000	\$50,000	\$0	\$0		\$50,000
2015	BOND N	Public Improvement Bond			05/15/2015	05/15/2025	3.25%		\$950,000	\$610,000	\$110,000	\$0	\$0		\$500,000
2016	BOND N	Public Improvements			03/22/2016	02/15/2026	2.00%		\$950,000	\$755,000	\$100,000	\$0	\$0		\$655,000
Total for Type/Exempt Status - Sums Issued Amts only made in AFR Year									\$0	\$1,655,000	\$355,000	\$0	\$0	\$0	\$1,300,000
AFR Year Total for All Debt Types - Sums Issued Amts only made in AFR Year									\$162,516	\$1,722,505	\$411,607	\$0	\$0	\$0	\$1,473,414

VILLAGE OF Lloyd Harbor
Maturity Schedule
For the Fiscal Year Ending 2020

For Installment Purchase Contracts Issued During The Fiscal Year Ended 2020

	EDPCODE	
Indebtedness No.		2020000001
Purpose of Issue		Garbage Truck
For State Comptroller Use Only	2P3CE	
Total Principal	2P3PR	162,516
Date of Issue	2P3DT	12/11/2019
Interest Rate	2P3PC	4.00000
Final Maturity Date	2P3DM	12/11/2023
Amount of Principal Redeemed in or to be Redeemed in Fiscal Year ending in (The Last Two Digits of the EDP Code Correspond to the Fiscal Year Ended)		
	2P321	29,558
	2P322	30,962
	2P323	32,433
	2P324	33,974

VILLAGE OF Lloyd Harbor
Schedule of Time Deposits and Investments
For the Fiscal Year Ending 2020

	EDP Code	Amount
CASH:		
On Hand	9Z2001	
Demand Deposits	9Z2011	\$3,803,240.00
Time Deposits	9Z2021	\$862,658.00
Total		\$4,665,898.00
 COLLATERAL:		
- FDIC Insurance	9Z2014	\$355,145.00
Collateralized with securities held in possession of municipality or its agent	9Z2014A	\$4,538,163.00
Total		\$4,893,308.00
 INVESTMENTS:		
- Securities (450)		
Book Value (cost)	9Z4501	
Market Value at Balance Sheet Date	9Z4502	
Collateralized with securities held in possession of municipality or its agent	9Z4504A	
 - Repurchase Agreements (451)		
Book Value (cost)	9Z4511	
Market Value at Balance Sheet Date	9Z4512	
Collateralized with securities held in possession of municipality or its agent	9Z4514A	

VILLAGE OF Lloyd Harbor
Bank Reconciliation
For the Fiscal Year Ending 2020

Include All Checking, Savings and C.D. Accounts

Bank Account Number	Bank Balance	Add: Deposit In Transit	Less: Outstanding Checks	Adjusted Bank Balance
****-0240	\$105,148	\$0	\$0	\$105,148
****-5464	\$862,658	\$110	\$217,316	\$645,452
****-5611	\$2,823,279	\$136	\$0	\$2,823,415
****-6684	\$874,948	\$0	\$0	\$874,948
	Total Adjusted Bank Balance			\$4,448,963
	Petty Cash			\$825.00
	Adjustments			\$13,653.00
	Total Cash			9ZCASH * \$4,463,441
	Total Cash Balance All Funds			9ZCASHB * \$4,463,441
	* Must be equal			

VILLAGE OF Lloyd Harbor
Employee and Retiree Benefits
For the Fiscal Year Ending 2020

Total Full Time Employees:		29			
Total Part Time Employees:		65			
Account Code	Description	Total Expenditures (All Funds)	# of Full Time Employees	# of Part Time Employees	# of Retirees
90108	State Retirement System	\$143,069.00	16	3	
90158	Police and Fire Retirement	\$412,775.00	13		
90258	Local Pension Fund				
90308	Social Security	\$212,109.00	29	65	
90408	Worker's Compensation Insurance	\$125,587.00	29	65	
90458	Life Insurance	\$1,724.00			
90508	Unemployment Insurance	\$3,535.00	1		
90558	Disability Insurance	\$652.00	29		
90608	Hospital and Medical (Dental) Insurance	\$1,018,856.00	26		23
90708	Union Welfare Benefits				
90858	Supplemental Benefit Payment to Disabled Fire Fighters				
91890	Other Employee Benefits	\$38,112.00			19
Total		\$1,956,419.00			
Computed Total From Financial Section (comparative purposes only)		\$1,956,419.00			

VILLAGE OF Lloyd Harbor
Energy Costs and Consumption
For the Fiscal Year Ending 2020

Energy Type	Total Expenditures	Total Volume	Units Of Measure	Alternative Units Of Measure
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CERTIFICATION OF CHIEF FISCAL OFFICER

I, Jill Cervini, hereby certify that I am the Chief Fiscal Officer of the Village of Lloyd Harbor, and that the information provided in the annual financial report of the Village of Lloyd Harbor, for the fiscal year ended 05/31/2020, is TRUE and correct to the best of my knowledge and belief.

By entering the personal identification number assigned by the Office of the State Comptroller to me as the Chief Fiscal Officer of the Village of Lloyd Harbor, and adopted by me as my signature for use in conjunction with the filing of the Village of Lloyd Harbor's annual financial report, I am evidencing my express intent to authenticate my certification of the Village of Lloyd Harbor's annual financial report for the fiscal year ended 05/31/2020 and filed by means of electronic data transmission.

Christopher V. Reino, CPA
Name of Report Preparer if different than Chief Fiscal Officer

(631) 473-3400
Telephone Number

09/30/2020
Date of Certification

Jill Cervini
Name

Village Clerk - Treasurer
Title

32 Middle Hollow Road, Huntington, I
Official Address

(631) 549-8893
Official Telephone Number

VILLAGE OF Lloyd Harbor
Financial Comments
For the Fiscal Year Ending 2020

(A) GENERAL

Adjustment Reason

Account Code A8012 To adjust the opening fund balance to the correct amount.

APPENDIX C

FORM OF BOND COUNSEL OPINION

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

May 6, 2021

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

Ladies and Gentlemen:

We have acted as Bond Counsel to the Village of Lloyd Harbor (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 \$955,000 Public Improvement Serial Bonds-2021 (the “Bonds”), dated and delivered on the date hereof.

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 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 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 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 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.

The Code establishes certain requirements which must be met subsequent to the issuance of the Bonds in order that the interest on the 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 Bonds, restrictions on the investment of proceeds of the 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 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 Bonds, the Village will execute a Tax Certificate relating to the 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 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 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 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 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 Bonds.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement relating to the 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 Bonds.

Very truly yours,

/s/Hawkins Delafield & Wood LLP