

**NEW ISSUES: SERIAL BONDS AND REFUNDING SERIAL BONDS
BOOK-ENTRY-ONLY**

**MOODY'S RATING: "Aa1"
See "Rating" herein**

In the opinion of Squire Patton Boggs (US) LLP, Bond Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; and (ii) interest on the Bonds is exempt from personal income taxes imposed by the State of New York and political subdivisions thereof, including the City of New York and the City of Yonkers. Interest on the Bonds may be subject to certain federal taxes imposed only on certain corporations. For a more complete discussion of the tax aspects, see "TAX MATTERS" herein.

The City will not designate the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986.

**CITY OF WHITE PLAINS
WESTCHESTER COUNTY, NEW YORK**

GENERAL OBLIGATIONS

\$21,680,000

PUBLIC IMPROVEMENT SERIAL BONDS, 2022 SERIES A

**Purchased By: RBC Capital Markets, LLC
(the "Series A Bonds")**

Dated: Date of Delivery

Due: As Shown on Inside Cover

\$12,920,000

PUBLIC IMPROVEMENT REFUNDING SERIAL BONDS, 2022 SERIES B

(the "Series B Bonds" and together with the Series A Bonds, the "Bonds")

Dated: Date of Delivery

Due: As Shown on Inside Cover

The Bonds are general obligations of the City of White Plains, Westchester County, New York (the "City"). The City has pledged its faith and credit for the payment of the principal of and interest on the Bonds 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 City without limit as to rate or amount, subject to the applicable provisions of Chapter 97 of the New York Laws of 2011. (See "*Legal Matters*," "*Risk Factors*," and "*Tax Levy Limit Law*," herein.)

The Bonds will be issued as registered Bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, Jersey City, New Jersey, which will act as Securities Depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Payment of the principal of and interest on the Bonds will be made by the City to DTC, which will in turn remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds as described herein. (See "*Book-Entry-Only System*" herein.)

The Series A Bonds will be dated their date of delivery and will bear interest from their dated date payable semi-annually on February 15 and August 15 in each year until maturity, commencing February 15, 2023. The Series A Bonds will mature on February 15 in the years and amounts as set forth on the inside cover page hereof. The Series A Bonds are subject to optional redemption prior to maturity as discussed herein. (See "*Optional Redemption*" herein.)

The Series B Bonds will be dated their date of delivery and will bear interest from their dated date payable on June 15, 2022, August 15, 2022, and semi-annually thereafter on February 15 and August 15 in each year until maturity. The Series B Bonds will mature on June 15, 2022, and then annually on February 15 in the years and amounts as set forth on the inside cover page hereof. The Series B Bonds are not subject to optional redemption prior to maturity as discussed herein.

Squire Patton Boggs (US) LLP has not participated in the preparation of the demographic, financial or statistical data contained in this Official Statement, nor verified the accuracy, completeness or fairness thereof, and, accordingly, expresses no opinion with respect thereto.

The Bonds are offered subject to the final approving opinion of Squire Patton Boggs (US) LLP, New York, New York, Bond Counsel, and certain other conditions. It is expected that delivery of the Series A Bonds in book-entry form through the offices of DTC in Jersey City, New Jersey or as otherwise agreed upon with the purchaser will be made on or about February 25, 2022. It is expected that delivery of the Series B Bonds in book-entry form through the offices of DTC in Jersey City, New Jersey or as otherwise agreed upon with the purchaser will be made on or about March 18, 2022.

THE CITY WILL COVENANT IN AN UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE AS REQUIRED BY THE SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (SEE "DISCLOSURE UNDERTAKING," HEREIN).

Dated: February 15, 2022

\$21,680,000 PUBLIC IMPROVEMENT SERIAL BONDS, 2022 SERIES A
(the Series A Bonds)

Dated: Date of Delivery

Due: February 15, 2024-2042

MATURITIES

| <u>Year</u> | <u>Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>CUSIP**</u> | <u>Year</u> | <u>Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>CUSIP**</u> |
|-------------|---------------|----------------------|--------------|----------------|-------------|---------------|----------------------|--------------|----------------|
| 2024 | \$740,000 | 5.000% | 1.000% | 964390 CA4 | 2034* | \$1,175,000 | 4.000% | 1.750% | 964390 CL0 |
| 2025 | 780,000 | 5.000 | 1.150 | 964390 CB2 | 2035* | 1,220,000 | 4.000 | 1.800 | 964390 CM8 |
| 2026 | 820,000 | 5.000 | 1.300 | 964390 CC0 | 2036* | 1,270,000 | 4.000 | 1.850 | 964390 CN6 |
| 2027 | 860,000 | 5.000 | 1.350 | 964390 CD8 | 2037* | 1,320,000 | 4.000 | 1.900 | 964390 CP1 |
| 2028 | 900,000 | 5.000 | 1.420 | 964390 CE6 | 2038* | 1,375,000 | 4.000 | 2.000 | 964390 CQ9 |
| 2029 | 945,000 | 5.000 | 1.500 | 964390 CF3 | 2039* | 1,430,000 | 4.000 | 2.050 | 964390 CR7 |
| 2030 | 995,000 | 5.000 | 1.550 | 964390 CG1 | 2040* | 1,485,000 | 3.000 | 2.780 | 964390 CS5 |
| 2031* | 1,045,000 | 4.000 | 1.600 | 964390 CH9 | 2041* | 1,530,000 | 3.000 | 2.800 | 964390 CT3 |
| 2032* | 1,085,000 | 4.000 | 1.650 | 964390 CJ5 | 2042* | 1,575,000 | 3.000 | 2.820 | 964390 CU0 |
| 2033* | 1,130,000 | 4.000 | 1.700 | 964390 CK2 | | | | | |

\$12,920,000 PUBLIC IMPROVEMENT REFUNDING SERIAL BONDS, 2022 SERIES B
(the Series B Bonds)

Dated: Date of Delivery

**Due: June 15, 2022,
February 15, 2023-2029**

MATURITIES

| <u>Date</u> | <u>Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>CUSIP**</u> | <u>Year</u> | <u>Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>CUSIP**</u> |
|-------------------|---------------|----------------------|--------------|----------------|-------------------|---------------|----------------------|--------------|----------------|
| June 15, 2022 | \$950,000 | 5.000% | 0.740% | 964390 CV8 | February 15, 2026 | \$1,835,000 | 5.000% | 1.340% | 964390 CZ9 |
| February 15, 2023 | 2,345,000 | 5.000 | 0.800 | 964390 CW6 | February 15, 2027 | 1,895,000 | 5.000 | 1.400 | 964390 DA3 |
| February 15, 2024 | 2,380,000 | 5.000 | 1.070 | 964390 CX4 | February 15, 2028 | 990,000 | 5.000 | 1.470 | 964390 DB1 |
| February 15, 2025 | 2,310,000 | 5.000 | 1.220 | 964390 CY2 | February 15, 2029 | 215,000 | 5.000 | 1.540 | 964390 DC9 |

* Subject to redemption prior to maturity.

** The above CUSIP (Committee on Uniform Securities Identification Procedures) numbers have been assigned by an organization not affiliated with the Issuer, the Institution or the Underwriter, and such parties are not responsible for the selection or use of the CUSIP numbers. The CUSIP numbers are included solely for the convenience of bondholders and no representation is made as to the correctness of such CUSIP numbers. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors including, but not limited to, the refunding or defeasance of such issue or the use of secondary market financial products. Neither the Issuer, the Institution nor the Underwriter has agreed to, and there is no duty or obligation to, update this Official Statement to reflect any change or correction in the CUSIP numbers set forth above.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements generally are identifiable by the terminology used, such as "plan," "expect," "estimate," "budget" or other similar words.

The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The City does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

Squire Patton Boggs (US) LLP has not participated in the preparation of the demographic, financial or statistical data contained in this Official Statement, nor verified the accuracy, completeness or fairness thereof, and, accordingly, express no opinion with respect thereto.

**CITY OF WHITE PLAINS
WESTCHESTER COUNTY, NEW YORK**

HON. THOMAS M. ROACH

Mayor

COMMON COUNCIL

Justin Brasch, Council President

Nadine Hunt-Robinson

John M. Martin

Richard Payne

Victoria Presser

Jennifer Puja

COMMISSIONER OF FINANCE

Sergio Sensi, CPA

CORPORATION COUNSEL

John G. Callahan

CITY CLERK

Jill Iannetta

BOND COUNSEL



SQUIRE PATTON BOGGS (US) LLP

New York, New York

MUNICIPAL ADVISOR



CAPITAL MARKETS ADVISORS, LLC

Hudson Valley * Long Island * Southern Tier * Western New York

(516) 570-0340

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

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APPENDIX B – SUMMARY OF BUDGETS AND FINANCIAL STATEMENTS

APPENDIX C – AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

**CITY OF WHITE PLAINS
WESTCHESTER COUNTY, NEW YORK**

relating to

\$21,680,000

PUBLIC IMPROVEMENT SERIAL BONDS, 2022 SERIES A

and

\$12,920,000

PUBLIC IMPROVEMENT REFUNDING SERIAL BONDS, 2022 SERIES B

This Official Statement, which includes the cover page, inside cover page and appendices attached hereto, has been prepared by the City of White Plains, Westchester County, New York (the "City," "County," and "State," respectively) in connection with the sale and delivery by the City of its \$21,680,000 Public Improvement Serial Bonds, 2022 Series A (the "Series A Bonds") and \$12,920,000 Public Improvement Refunding Serial Bonds, 2022 Series B (the "Series B Bonds" and together with the Series A Bonds, the "Bonds").

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 City's overall economic situation and outlook (and all of the specific City-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 "*COVID-19 Pandemic*" herein.)

THE BONDS

The Bonds are general obligations of the City and will contain a pledge of its faith and credit for the payment of the principal of and interest thereon as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the City is subject to the levy of ad valorem taxes which may be levied upon all the taxable real property within the City, without limit as to rate or amount, subject to the applicable provisions of Chapter 97 of the New York Laws of 2011, as amended. Chapter 97 of the New York Laws of 2011 imposes a statutory limit on the City's power to increase its annual real property tax levy, including such taxes to pay the principal of and interest on the Bonds. (See "*Legal Matters*," "*Risk Factors*," and "*Tax Levy Limit Law*," herein.)

The Bonds will be issued as registered Bonds, and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, Jersey City, New Jersey ("DTC"), which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds.

The Series A Bonds will be dated their date of delivery and will bear interest from their dated date payable semi-annually on February 15 and August 15 in each year until maturity, commencing February 15, 2023. The Series A Bonds will mature on February 15 in the years and amounts as set forth on the inside cover page hereof. The Series A Bonds are subject to optional redemption prior to maturity as discussed herein. (See "*Optional Redemption*" herein.)

The Series B Bonds will be dated their date of delivery and will bear interest from their dated date payable on June 15, 2022, August 15, 2022, and semi-annually thereafter on February 15 and August 15 in each year until maturity. The Series B Bonds will mature on June 15, 2022, and then annually on February 15 in the years and amounts as set forth on the inside cover page hereof. The Series B Bonds are not subject to optional redemption prior to maturity as discussed herein.

The “Record Date” for the Bonds will be the last business day of the calendar month preceding each interest payment date.

Authority for and Purpose of the Series A Bonds

The Series A Bonds are being issued pursuant to the Constitution and statutes of the State, including among others, the City Charter, the Local Finance Law, and various bond ordinances adopted by the Common Council for the following purposes and amounts:

| <u>Purpose</u> | <u>Authorization Date</u> | <u>Amount Funded with Bond Proceeds</u> |
|--|---------------------------|---|
| | 10/2/2017 & | |
| Construction Bicycle Lanes Various City Streets | 08/03/2020 | \$ 418,680 |
| Library 2nd Floor Renovations | 10/1/2018 | 190,400 |
| Security Camera Integration/Expansion | 10/7/2019 | 90,000 |
| Community Buildings Rehabilitation | 10/7/2019 | 76,000 |
| Renovations to Fire Facilities FY20 | 10/7/2019 | 101,000 |
| Municipal Parking Structure FY20 | 5/4/2020 | 505,000 |
| Kronos Telestaff | 9/8/2020 | 86,000 |
| | 09/08/2020 & | |
| Public Safety radio Infrastructure Replacement | 07/06/2021 | 2,557,200 |
| Rolling Stock Acquisition-Heavy Duty FY21 | 9/8/2020 | 2,631,000 |
| Municipal Parking Structure FY21 | 10/5/2020 | 505,000 |
| Miscellaneous Sanitary Sewer Reconstruction FY21 | 10/5/2020 | 909,000 |
| | 10/05/2020 & | |
| Water System SCADA/Cybersecurity Improvements | 07/06/2021 | 707,000 |
| LED Lighting Improvements | 10/5/2020 | 682,500 |
| Police & Fire Electronic Device Replacement | 12/7/2020 | 101,000 |
| Renovations to City Facilities FY21 | 4/5/2021 | 101,000 |
| Windward Avenue Sanitary Sewer | 4/5/2021 | 454,500 |
| Replace/Reconstruct Various Water Lines FY21 | 4/5/2021 | 6,815,000 |
| Local Controller Upgrades | 4/5/2021 | 71,000 |
| Central Control System Reconstruction FY21 | 4/5/2021 | 303,000 |
| Miscellaneous Street reconstruction FY21 | 6/7/2021 | 730,000 |
| Municipal parking Structure FY22 | 7/6/2021 | 757,500 |
| Battle of White Plains Parling Improvements | 7/6/2021 | 303,000 |
| Rolling Stock Acquisition-Heavy Duty FY22 | 7/6/2021 | 3,466,600 |
| License Plate Reader | 7/6/2021 | 156,500 |
| Renovations to City Facilities FY22 | 9/13/2021 | 151,500 |
| Renovations to Fire Facilities FY22 | 9/13/2021 | 51,000 |
| Turnure Park Improvements | 9/13/2021 | 404,000 |
| Hall Avenue Pump Station Generator | 9/13/2021 | 101,000 |
| Police & Fire Electronic Device Replacement | 11/1/2021 | <u>252,500</u> |
| | Total: | <u><u>\$23,526,380</u></u> |

Authorization and the Refunding Plan for the Series B Bonds

The Series B Bonds are being issued pursuant to the Constitution and statutes of the State, including among others, the City Charter, the Local Finance Law, including sections 90.00 and 90.10, and the refunding bond resolution duly adopted by the Common Council on January 3, 2022 (the “Refunding Bond Resolution”). A refunding financial plan has been prepared and is described on the following page (the “Refunding Plan”).

The Series B Bonds are being issued to refund \$5,675,000 outstanding principal of the City’s \$12,049,555 Public Improvement Serial Bonds, 2012, which mature in the years 2022 to 2027, inclusive (the “2012 Refunded Bonds”), \$3,690,000 outstanding principal of the City’s \$11,090,000 Public Improvement Refunding Serial Bonds, 2012, which mature in the years 2023 to 2029, inclusive (the “Refunded 2012 Refunding Bonds”) and \$4,660,000 outstanding principal of the City’s \$9,892,000 Public Improvement Serial Bonds, Series 2013, which mature in the years 2023 to 2028 (the “2013 Refunded Bonds”, and together with the “2012 Refunded Bonds” and the “Refunded 2012 Refunding Bonds”, the “Refunded Bonds”). Under the Refunding Plan, the 2012 Refunded Bonds and the Refunded 2012 Refunding Bonds are to be called and redeemed on April 18, 2022, and the 2013 Refunded Bonds are to be called and redeemed on June 15, 2022. The net proceeds of the Series B Bonds (after payment of the underwriting fee and other costs of issuance relating to the Series B Bonds) will be used to purchase non-callable, direct obligations of or obligations guaranteed by the United States of America (the “Government Obligations”) which, together with remaining cash proceeds from the sale of the Series B Bonds, will be placed in an irrevocable trust fund (the “Escrow Fund”) to be held by Manufacturers and Traders Trust Company, (the “Escrow Holder”), a bank located and authorized to do business in the State, pursuant to the terms of an escrow contract by and between the District and the Escrow Holder, dated as of the delivery date of the Series B Bonds (the “Escrow Contract”). The Government Obligations so deposited will mature in amounts which, together with the cash so deposited, will be sufficient to pay the principal of and interest on the Refunded Bonds on the date of their redemption. The Refunding Plan requires the Escrow Holder, pursuant to the Refunding Bond Resolution of the City and the Escrow Contract, to pay the redemption price of the Refunded Bonds on the earliest date on which the Refunded Bonds may be called for redemption prior to maturity.

The holders of the Refunded Bonds will have a first lien on all investment income from, and maturing principal of the Government Obligations, along with other available monies held in the Escrow Fund. The Escrow Contract shall terminate upon final payment by the Escrow Holder amounts from the Escrow Fund adequate for the payment, in full, of the Refunded Bonds, including interest payable with respect thereto.

The Refunding Plan will permit the City to realize, as a result of the issuance of the Series B Bonds, cumulative dollar and present value debt service savings.

Under the Refunding Plan, the Refunded Bonds will continue to be general obligation bonds of the City. However, inasmuch as the Government Obligations held in the Escrow Fund will be sufficient to meet all required payments of principal and interest requirements when required in accordance with the Refunding Plan, it is not anticipated that any other source of payment will be required.

(The remainder of this page has been intentionally left blank.)

2012 Refunded Bonds:

| <u>Maturity Date</u> | <u>Principal</u> | <u>Interest Rate</u> | <u>Redemption Date/Price</u> | <u>CUSIP</u> |
|----------------------|--------------------|----------------------|------------------------------|--------------|
| June 15, 2022 | \$ 890,000 | 2.125% | April 18, 2022 @ 100% | 964389 2R0 |
| June 15, 2023 | 910,000 | 3.000 | April 18, 2022 @ 100% | 964389 2S8 |
| June 15, 2024 | 935,000 | 3.000 | April 18, 2022 @ 100% | 964389 2T6 |
| June 15, 2025 | 955,000 | 3.000 | April 18, 2022 @ 100% | 964389 2U3 |
| June 15, 2026 | 980,000 | 3.000 | April 18, 2022 @ 100% | 964389 2V1 |
| June 15, 2027 | <u>1,005,000</u> | 3.000 | April 18, 2022 @ 100% | 964389 2W9 |
| Total: | <u>\$5,675,000</u> | | | |

Refunded 2012 Refunding Bonds:

| <u>Maturity Date</u> | <u>Principal</u> | <u>Interest Rate</u> | <u>Redemption Date/Price</u> | <u>CUSIP</u> |
|----------------------|--------------------|----------------------|------------------------------|--------------|
| February 15, 2023 | \$ 915,000 | 5.000% | April 18, 2022 @ 100% | 964389 Y53 |
| February 15, 2024 | 935,000 | 5.000 | April 18, 2022 @ 100% | 964389 Y61 |
| February 15, 2025 | 810,000 | 5.000 | April 18, 2022 @ 100% | 964389 Y79 |
| February 15, 2026 | 265,000 | 4.000 | April 18, 2022 @ 100% | 964389 Y87 |
| February 15, 2027 | 250,000 | 4.000 | April 18, 2022 @ 100% | 964389 Y95 |
| February 15, 2028 | 260,000 | 3.000 | April 18, 2022 @ 100% | 964389 Z29 |
| February 15, 2029 | <u>255,000</u> | 3.125 | April 18, 2022 @ 100% | 964389 Z37 |
| Total: | <u>\$3,690,000</u> | | | |

2013 Refunded Bonds:

| <u>Maturity Date</u> | <u>Principal</u> | <u>Interest Rate</u> | <u>Redemption Date/Price</u> | <u>CUSIP</u> |
|----------------------|--------------------|----------------------|------------------------------|--------------|
| June 15, 2023 | \$ 730,000 | 2.500% | June 15, 2022 @ 100% | 964389 2S8 |
| June 15, 2024 | 750,000 | 2.500 | June 15, 2022 @ 100% | 964389 2T6 |
| June 15, 2025 | 765,000 | 3.000 | June 15, 2022 @ 100% | 964389 2U3 |
| June 15, 2026 | 785,000 | 3.000 | June 15, 2022 @ 100% | 964389 2V1 |
| June 15, 2027 | 805,000 | 3.000 | June 15, 2022 @ 100% | 964389 2W9 |
| June 15, 2028 | <u>825,000</u> | 3.000 | June 15, 2022 @ 100% | 964389 2X7 |
| Total: | <u>\$4,660,000</u> | | | |

Sources and Uses of Proceeds for the Series B Bonds

Sources:

| | |
|--------------------|------------------------|
| Par Amount | \$12,920,000.00 |
| Reoffering Premium | <u>1,346,534.45</u> |
| Total: | <u>\$14,266,534.45</u> |

Uses:

| | |
|-----------------------------------|------------------------|
| Refunding Escrow Deposit | \$14,173,227.50 |
| Costs of Issuance and Contingency | 91,110.55 |
| Underwriter's Discount | <u>2,196.40</u> |
| Total: | <u>\$14,266,534.45</u> |

Verification of Mathematical Computations for the Series B Bonds

PKF O'Connor Davies, LLP will verify from the information provided to them, the mathematical accuracy, as of the date of the closing of the Series B Bonds, of the computations contained in the provided schedules to determine that the anticipated receipts from the Government Obligations and cash deposits listed in the underwriter's schedules, to be held in escrow, will be sufficient to pay, when due, the principal of and interest on the Refunded Bonds. PKF O'Connor Davies, LLP will express no opinion on the assumptions provided to them, nor as to the exclusion from taxation of the interest on the Series B Bonds.

Optional Redemption

The Series A Bonds maturing on or before February 15, 2030 will not be subject to redemption prior to maturity. The Series A Bonds maturing on or after February 15, 2031 will be subject to redemption prior to maturity, at the option of the City, on February 15, 2030 and thereafter on any date, as a 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), at the price equal to the par principal amount, plus accrued interest to the date of redemption.

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

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

Book-Entry-Only System

The Depository Trust Company ("DTC"), Jersey City, New Jersey, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for each maturity of each Series of Bonds.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve

System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the posttrade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation 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”). 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 the 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 note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 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 account of their holdings on behalf of their customers.

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

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant of such issue to be redeemed. The City is not responsible for sending notices to Beneficial Owners.

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 Money Market Instrument (“MMI”) Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City 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 City, on 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 or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City, 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 City. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

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

Source: The Depository Trust Company

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

NATURE OF THE OBLIGATION

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

The Bonds will be general obligations of the City and will contain a pledge of the faith and credit of the City for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the City has the power and statutory authority to levy ad valorem taxes on all taxable real property in the City, subject to the applicable provisions of Chapter 97 of the New York Laws of 2011. Pursuant to Article VIII of the State Constitution, the City 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 City to levy taxes on real estate therefor for debt issued prior to the effective date of any such legislation regarding such levies. (See “*Legal Matters*,” “*Real Property Taxes*” and “*Tax Levy Limit Law*,” herein.)

Each of the Bonds when duly issued and paid for will constitute a contract between the City and the holder thereof.

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

The Bonds will be general obligations of the City and will contain a pledge of the faith and credit of the City for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the City has power and statutory authorization to levy ad valorem taxes on all real property within the City subject to such taxation by the City, subject to the applicable provisions of Chapter 97 of the Laws of 2011, as amended.

Under the Constitution of the State, the City is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limit Law imposes a statutory limitation on the City's power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limit Law, it also provides the procedural method to surmount that limitation. (See "*Tax Levy Limit Law*," herein.)

Tax Levy Limit Law

On June 24, 2011, Chapter 97 of the Laws of 2011 (the "Tax Levy Limit Law" or "TLLL") was enacted. The Tax Levy Limit Law imposes a tax levy limitation on the City for any fiscal year each commencing after January 1, 2012 without providing an express exclusion for real property taxes levied for payment of principal of and interest on general obligations issued by the City under the Local Finance Law. Accordingly, the power of the City to levy real property taxes on all taxable real property within the City without limitation as to rate or amount in furtherance of the pledge of its faith and credit as required in the New York Constitution is subject to statutory limitations pursuant to formulae set forth in the Tax Levy Limit Law.

The Tax Levy Limit Law restricts the increase in the amount of the succeeding year's tax levy to no more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. The TLLL also provides for certain adjustments for taxable real property full valuation increases or changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. The 2% limit can be increased and overridden annually through a local law enacted by a 60% supermajority vote by the City Council subject to referenda requirements, if any, set forth in the Municipal Home Rule Law. Express exclusions from the 2% limit of TLLL include (i) funds needed to pay judgments in excess of 5% of the prior year's tax levy, and (ii) retirement systems growth in the average actuarial contribution rate in excess of 2%. The City is also permitted to carry forward a certain portion of its unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the Office of the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The TLLL does not provide an express exclusion from the tax levy limitation for payment of principal and interest on general obligations authorized and issued by the City under the Local Finance Law. A plain English reading of the TLLL compared with the applicable and corresponding provisions of Article VIII of the New York Constitution (Local Government Finance) could lead to the conclusion that the TLLL is contrary to and violative of certain provisions of Article VIII the New York Constitution.

In the opinion of bond counsel, under current law, the limitations imposed by TLLL on real property tax levies do not diminish the prior lien on the first revenues of the City set forth in the New York State Constitution and established by the aforesaid pledge of the City's faith and credit requiring the City to raise the necessary moneys and to exceed normal real estate tax limitations to pay the principal of and interest on the Bonds. Bond Counsel expresses no opinion on the validity of Chapter 97 of the Laws of 2011 under the applicable provisions of Article VIII of the New York Constitution.

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors' Provision. Each Bond when duly issued and paid for will constitute a contract between the City and the holder thereof. Under current law, provision is made for contract creditors of the City to enforce payments upon such contracts, if necessary, through court action. Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the City upon any judgment or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centum per annum from the date due to the date of payment. This provision might be construed to have application to the holders of the Bonds in the event of a default in the payment of the principal of and interest on the Bonds.

Execution/Attachment of Municipal Property. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the City may not be enforced by levy and execution against property owned by the City.

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

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

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

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

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

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

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

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law, as described below, enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract,

debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the City.

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

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

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

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

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

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

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

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

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

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

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

Several municipalities in the State are presently working with the FRB. The City has not applied to the FRB and does not reasonably expect to do so in the foreseeable future. School districts and fire districts are not eligible for FRB assistance.

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

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

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

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

RISK FACTORS

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

The City's credit rating could be affected by circumstances beyond the City'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 City 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 City'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 all or a part of the Bonds prior to 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 Bonds are sold prior to their 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 City 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 City is dependent in part upon financial assistance from the State in the form of State aid as well as grants and loans to be received ("State Aid"). The 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 City can be paid only if the State has such monies available therefore. Should the City fail to receive all or a portion of the amounts of State Aid expected to be received from the State in the amounts and at the times anticipated, occasioned by a delay in the payment of such moneys or by a reduction in State Aid or its elimination, the City 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 City 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 City, without providing exclusion for debt service on obligations issued by municipalities and fire districts, may affect the market price and/or marketability for the Bonds. (See “*The 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 City could impair the financial condition of such entities, including the City and the ability of such entities, including the City to pay debt service on their respective obligations.

COVID-19 Pandemic

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 City’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 which has since been terminated and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses for extended periods. Efforts to contain the spread of COVID-19 have reduced the spread of the virus 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 City’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 could have a material adverse effect on the City and municipalities and school districts located in the State, including the City. The City is monitoring the situation and has taken proactive measures to maintain its operations and meet its obligations. (See “*State Aid*” herein).

STATUTES GOVERNING INVESTMENT POLICY

Pursuant to the statutes of the State, the City is permitted to temporarily invest moneys which are not required for immediate expenditures, with the exception of moneys the investment of which is otherwise provided for by law, in the following investments: (1) special time deposit accounts in, or certificates of deposit issued by, a bank or trust company located and authorized to do business in the State, provided however, that such time deposit account or certificate of deposit is payable within such time as the proceeds shall be needed to meet the expenditures for which such moneys were obtained and provided further that such time deposit account or certificate of deposit, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by a pledge of eligible securities, as that term is defined in the law; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (4) obligations of the State; (5) 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 City; (6) certificates of participation issued by political subdivisions of the State, as those terms are defined in the law; (7) obligations of a New York public corporation which are made lawful investments for the City pursuant to the enabling laws of such public corporation; or (8) in the case of moneys held in certain reserve funds

established by the City pursuant to law, in obligations of the City. Any investments made by the City pursuant to law are required to be payable or redeemable at the option of the City 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. These statutes also require that the City's investments, unless registered or inscribed in the name of the City, must be purchased through, delivered to and held in custody of a bank or trust company in the State. All such investments held in the custody of a bank or trust company must be held pursuant to a written custodial agreement as that term is defined in the law. In addition to the limits put in place by the State, the City has its own additional investment policy.

LITIGATION

Various notices of claim have been filed with the City. The allegations set forth in the claims related to various circumstances including personal injury, civil rights violations and administrative determinations by City Officials. Certain claims assert money damages while others seek a specific action or forbearance on the part of the City.

In the opinion of the City's Corporation Counsel, the resolution of such claims presently pending against the City will not have an adverse material effect on the City's financial position. Such matters are immaterial or adequately covered by existing insurance coverage, including self-insurance. Pursuant to the Local Finance Law, the City is authorized to issue debt to finance judgments and claims, if necessary.

CYBERSECURITY

The City, 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 City 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 City 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 City digital networks and systems and the costs of remedying any such damage could be substantial. The City also maintains Cyber insurance in the amount of \$1,000,000.

TAX MATTERS

In the opinion of Squire Patton Boggs (US) LLP, Bond Counsel, under existing law: (i) interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax; and (ii) interest on the Bonds is exempt from personal income taxes imposed by the State of New York and political subdivisions thereof, including the City of New York and the City of Yonkers. Bond Counsel expresses no opinion as to any other tax consequences regarding the Bonds.

The opinion on federal tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the City contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of the City's representations and certifications or the continuing compliance with the City's covenants.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Bonds from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service (the "IRS") or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the City may cause loss of such status and result in the interest on the Bonds being included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. The City has covenanted to take the actions required of it for the interest on the Bonds to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of issuance of the Bonds, Bond Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or the market value of the Bonds.

Interest on the Bonds may be subject to a federal branch profits tax imposed on certain foreign corporations doing business in the United States and to a federal tax imposed on excess net passive income of certain S corporations. Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Bonds. Bond Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the City or the owners of the Bonds regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Bonds, under current IRS procedures, the IRS will treat the Issuer as the taxpayer and the beneficial owners of the Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Bonds.

Prospective purchasers of the Bonds upon their original issuance at prices other than the respective prices indicated on the inside cover of this Official Statement, and prospective purchasers of the Bonds at other than their original issuance, should consult their own tax advisors regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds will not have an adverse effect on the tax status of interest on the

Bonds or the market value or marketability of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

For example, federal tax legislation that was enacted on December 22, 2017 reduced corporate tax rates, modified individual tax rates, eliminated many deductions, repealed the corporate alternative minimum tax, and eliminated the tax-exempt advance refunding of tax-exempt Bonds and tax-advantaged Bonds, among other things. Additionally, investors in the Bonds should be aware that future legislative actions might increase, reduce or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Bonds for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Bonds may be affected and the ability of holders to sell their Bonds in the secondary market may be reduced.

Investors should consult their own financial and tax advisors to analyze the importance of these risks.

Original Issue Discount and Original Issue Premium

Certain of the Bonds (“Discount Bonds”) may be offered and sold to the public at an original issue discount (“OID”). OID is the excess of the stated redemption price at maturity (the principal amount) over the “issue price” of a Discount Bond. The issue price of a Discount Bond is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Bonds of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excluded from the owner’s gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Bonds, and (ii) is added to the owner’s tax basis for purposes of determining gain or loss on the maturity, redemption, sale or other disposition of that Discount Bond. A purchaser of a Discount Bond in the initial public offering at the issue price (described above) for that Discount Bond who holds that Discount Bond to maturity will realize no gain or loss upon the retirement of that Discount Bond.

Certain of the Bonds (“Premium Bonds”) may be offered and sold to the public at a price in excess of their stated redemption price at maturity (the principal amount). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, 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 that Premium Bond), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner’s gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner’s tax basis in the Premium Bond is reduced by the amount of bond premium that is amortized during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond. A purchaser of a Premium Bond in the initial public offering who holds that Premium Bond to maturity (or, in the case of a callable Premium Bond to its earlier call date that results in the lowest yield on that Premium Bond) will realize no gain or loss upon the retirement of that Premium Bond.

Owners of Discount and Premium Bonds should consult their own tax advisors as to the determination for federal income tax purposes of the existence of OID or bond premium, the determination for federal income tax purposes of the amount of OID or bond premium properly accruable or amortizable in any period with respect to the Discount or Premium Bonds, other federal tax consequences in respect of OID and bond premium, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

DOCUMENTS ACCOMPANYING DELIVERY OF THE BONDS

Legal Matters

Legal matters incident to the authorization, issuance and sale of the Bonds will be subject to the final approving opinions of Squire Patton Boggs (US) LLP, New York, New York, Bond Counsel to the City. Such opinions will be available at the time of delivery of and payment for the Bonds and will be to the effect that the Bonds are valid and legally binding general obligations of the City, for the payment of which the City has validly pledged its faith and credit, and all the real property within the City subject to taxation by the City, is subject to the levy by the City of ad valorem taxes, without limitation as to rate or amount, subject to the applicable provisions of Chapter 97 of the Laws of 2011. Chapter 97 of the Laws of 2011 imposes a statutory limit on the power of the City to increase its annual real property tax levy based on formulae set forth therein, including such taxes to pay principal of and interest on the Bonds. However, in the opinion of Bond Counsel, under current law, the limitations imposed by Chapter 97 of the Laws of 2011 do not diminish the prior lien on the first revenues of the City set forth in the New York Constitution and established by the aforesaid pledge of the City's faith and credit requiring the City to raise the necessary moneys and to exceed normal real estate tax limitations to pay the principal of and interest on the Bonds. Bond Counsel expresses no opinion on the validity of Chapter 97 of the Laws 2011 under the applicable provisions of Article VIII of the New York Constitution.

Said opinions will also contain further statements to the effect that assuming continuing compliance with certain covenants and the accuracy of certain representations of the City contained in the record of proceedings relating to the authorization and issuance of the Bonds (i) interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax; and (ii) interest on the Bonds is exempt from personal income taxes imposed by the State of New York and political subdivisions thereof, including The City of New York and the City of Yonkers. Bond Counsel expresses no opinion as to any other tax consequences regarding the Bonds. For a more complete discussion of the tax aspects, see "*Tax Matters*" herein.

Closing Certificates

Upon delivery of and payment for the Bonds, the purchaser(s) of the Bonds will also receive, without cost, in form satisfactory to Bond Counsel the following, dated as of the date of delivery of and payment for the Bonds: (a) a certificate or certificates evidencing execution, delivery and receipt of payment for the Bonds; (b) a certificate or certificates executed by the officer of the City who executed the Bonds on behalf of the City stating that (1) no litigation is then pending or, to the knowledge of such officer, threatened to restrain or enjoin the issuance or delivery of the Bonds, (2) no authority or proceedings for the issuance of the Bonds has or have been repealed, revoked or rescinded, and (3) the statements contained in this Official Statement, on the date hereof and on the date of delivery of and payment for the Bonds, were and are true in all material respects and did not, and do not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; (c) the unqualified legal opinions as to the validity of the Bonds of Squire Patton Boggs (US) LLP, New York, New York, Bond Counsel, as more fully described under "*Legal Matters*" herein; (d) a Tax Compliance Certificate executed by the Commissioner of Finance of the City; and (e) a continuing disclosure agreement executed by the Commissioner of Finance of the City for purposes of SEC Rule 15c2-12, as described under the caption "*Disclosure Undertaking*" herein.

DISCLOSURE UNDERTAKING

At the time of the delivery of the Bonds, the City will provide an executed copy of its "Undertaking to Provide Continuing Disclosure" (the "Undertaking"). Said Undertaking will constitute a written agreement or contract of the City for the benefit of holders of and owners of beneficial interests in the Bonds, to electronically file, or cause to be electronically filed with the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal

Market Access (“EMMA”) System, or any successor thereto or to the functions of such Board contemplated by the Undertaking:

- (1) (i) certain annual financial information, in a form generally consistent with the information contained or crossreferenced in this Official Statement under the headings “*Litigation*” and in Appendix A under the headings “*The City*,” “*Financial Factors*,” “*Real Property Taxes*,” “*City Indebtedness*” and “*Socioeconomic Profile*,” on or prior to the 270th day following the end of each fiscal year, commencing with the fiscal year ending June 30, 2021 and (ii) the audited financial statement, if any, of the City for each fiscal year commencing with the fiscal year ending June 30, 2021 unless such audited financial statement, if any, shall not then be available in which case the unaudited financial statement shall be electronically filed with the MSRB and an audited financial statement shall be electronically filed with the MSRB within 30 days after it becomes available and in no event later than 360 days after the end of each fiscal year;
- (2) in a timely manner, not in excess of ten (10) business days after occurrence, notice of the following events:
 - (i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (vii) modifications to rights of Bondholders, if material; (viii) Bond calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Bonds, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the City¹; (xiii) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material; (xv) incurrence of a "financial obligation" (as defined in the Rule) of the City, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation, any of which affect security holders, if material; and (xvi) default, event of acceleration, termination event, modification of terms or other similar events under a financial obligation of the Issuer, if any such event reflects financial difficulties.

Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Event (iii) is included pursuant to a letter for the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (iii) is not applicable, since no “debt service reserves” will be established for the Bonds.

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

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

governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

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

- (3) in a timely manner, notice of a failure to provide the annual financial information and operating data and such audited financial statement by the date specified.

The City's Undertaking shall remain in full force and effect until such time as the principal of, redemption premiums, if any, and interest on the Bonds shall have been paid in full or in the event that those portions of the Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12") which require the Undertaking, or such provision, as the case may be, do not or no longer apply to the Bonds. The sole and exclusive remedy for breach or default under the Undertaking is an action to compel specific performance of the undertakings of the City, and no person or entity, including a Holder of the Bonds, shall be entitled to recover monetary damages thereunder under any circumstances. Any failure by the City to comply with the Undertaking will not constitute a default with respect to the Bonds.

The City reserves the right to amend or modify the Undertaking under certain circumstances set forth therein; provided that any such amendment or modification will be done in consultation with nationally recognized bond counsel in a manner consistent with Rule 15c2-12, as amended.

MUNICIPAL ADVISOR

Capital Markets Advisors, LLC, Great Neck, New York, (the "Municipal Advisor") is an independent municipal advisor registered with the United States Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor has served as the independent municipal advisor to the City in connection with this transaction.

In preparing the Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for the Official Statement. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the City to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards. The Municipal Advisor is not a law firm and does not provide legal advice with respect to this or any debt offerings of the City. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Bonds.

RATING

On January 31, 2022, Moody's Investors Service ("Moody's") affirmed the City's underlying credit rating of "Aa1" with "stable outlook" and applied such rating to the Bonds.

Such rating reflects only the view of such organization and any desired explanation of the significance of such rating should be obtained from Moody's at the following address: Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007. There can be no assurance that such rating will continue for any specified period of time or that such rating will not be revised or withdrawn, if in the judgment of Moody's circumstances so warrant. Any such change or withdrawal of such rating may have an adverse effect on the market price of the Bonds or the availability of a secondary market for the Bonds.

MISCELLANEOUS

Any statements made 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 assurance can be given, however, that such statements will materialize as so opined or estimated. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of the Bonds.

Capital Markets Advisors, LLC Corporation may place a copy of this Official Statement on its website at www.capmark.org. 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. Capital Markets Advisors, LLC 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 sourced documents to digital format, and neither the City nor Capital Markets Advisors, LLC assumes any liability or responsibility for errors or omissions on such website. Further, Capital Markets Advisors, LLC and the City disclaims any duty or obligation either to update or to maintain the information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Capital Markets Advisors, LLC and the City also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

Squire Patton Boggs (US) LLP, Bond Counsel, expresses no opinion regarding the accuracy or completeness of any documents prepared by or on behalf of the City for use in connection with the offer and sale of the Bonds, including this Official Statement and the appendices thereto.

The City has authorized the distribution of this Official Statement to prospective purchasers.

Additional information may be obtained from the office of the Commissioner of Finance, telephone number (914) 422-1233, e-mail: ssensi@whiteplainsny.gov, or from Capital Markets Advisors, LLC, 11 Grace Avenue, Suite 308, Great Neck, New York, 11021, telephone number (516) 570-0340.

CITY OF WHITE PLAINS
WESTCHESTER COUNTY, NEW YORK

By: /s/ Sergio Sensi
Commissioner of Finance and Chief Fiscal Officer

DATED: February 15, 2022

APPENDIX A

THE CITY

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THE CITY

The City was founded in 1683 and became the county seat of Westchester County in 1778 by State legislative act. In 1866, White Plains became an incorporated village and in 1916 was incorporated as a city. The City remains the seat of Westchester County government and serves as a major commuter hub as well as a suburban regional center. The City is headquarters for many corporations and functions as a major regional retail shopping center, drawing shoppers from most of the New York metropolitan area, including Fairfield County, Connecticut. The City's population was estimated at 59,599 by the U.S. Census Bureau's 2020 Estimates.

The City is located in the south-central portion of Westchester County approximately 22 miles north of Grand Central terminal in New York City and encompasses an area of approximately 10 square miles. The City, situated halfway between the Mario M. Cuomo Tappan Zee Bridge, which crosses the Hudson River, and the Long Island Sound, is served by major rail and highway routes. The Metropolitan Transportation Authority provides rail service at two stations located in the City, with daily express and local service to New York City through its Metro-North rail line. Four principal highways traverse the City: the Bronx River Parkway, the Hutchinson River Parkway, the Cross Westchester Expressway (Route 287), and Interstate 684. Interstates 87 and 95 are readily accessed via these highways.

Westchester County Airport, located within five miles of downtown White Plains, provides airline service through a variety of carriers including American Airlines, Cape Air, Delta, JetBlue and United Airlines. The airport also provides general aviation facilities for both corporate and private aircraft. The three major New York City airports (La Guardia, John F. Kennedy International and Newark Liberty International) are within a short drive of the City.

The City has powers and responsibilities inherent in the operation of a municipal government including independent taxing and debt issuance authority. Subject to the provisions of the State Constitution, the City operates under a Charter, which was enacted by the State Legislature on January 1, 1916, and in accordance with other statutes including the General City Law, the General Municipal Law, the Local Finance Law and the Real Property Tax Law, to the extent that these statutes apply to a city operating pursuant to a charter. The City is not confined to powers enumerated in the Charter. It may, by adoption of local laws, ordinances or resolutions, exercise specific powers granted by these statutes and the State Constitution.

Elected and Appointed Officials

The Chief Executive Officer of the City is the Mayor, who is elected at-large for a four-year term. The Common Council is the policy and legislative body of the City and consists of six members elected at-large to serve four-year terms, plus the Mayor. It is the responsibility of the Common Council to approve all legislation, including ordinances and local laws, to adopt and modify, as required, operating and capital budgets, to levy real property taxes and to authorize the issuance of all indebtedness.

The Chief Fiscal Officer of the City is the Commissioner of Finance, who, like all commissioners of the other City departments, is appointed by the Mayor with the consent of the Common Council. The Commissioner of Finance is appointed without a fixed term and serves at the will and pleasure of the Common Council.

City Services

The City is responsible for and provides the following services: police and fire protection, garbage collection, street and sewer maintenance, parking, traffic control, water distribution, library, and recreation programs.

Pursuant to State law, the County, rather than the City, is responsible for providing health and social services. Public education is provided by the White Plains City School District. The school district has a separately elected governing body and has independent taxing and debt issuance authority.

Financial Institutions

The City has a total of 32 banking offices. As of June 30, 2021, there were 17 commercial banks with 30 banking offices handling deposits of \$10.4 billion and two savings banks with two banking offices handling \$388 million of deposits within the City.

(Source: FDIC, <https://www5.fdic.gov/sod/>, accessed November 8, 2021).

Higher Education

Pace University Law School is located within the City. Together with its New York City and Pleasantville campuses, Pace University offers bachelor, master, JD and doctoral degrees to an enrollment of 7,994 undergraduate and 4,841 graduate/JD/doctoral students.

(Source: Pace University, www.pace.edu, accessed November 8, 2021).

Also located within the City is The College of Westchester, offering bachelor and associate degrees in business and accounting to an enrollment of 934 students.

(Source: National Center for Education Statistics, College Navigator, <http://nces.ed.gov/collegenavigator/>, accessed November 8, 2021).

Other colleges and universities located in Westchester County include Cochran School of Nursing, Columbia University School of Social Work, Concordia College, Dorothea Hopfer School of Nursing at Mount Vernon, Fordham University Marymount Campus, Iona College, Long Island University Westchester Graduate Campus, Manhattanville College, Mercy College, Monroe College, New York Medical College, Polytechnic University Westchester Graduate Campus, Sarah Lawrence College, St. Joseph's Seminary and College, St. Vladimir's Orthodox Theological Seminary, State University of New York at Purchase, SUNY Empire State College and Westchester Community College.

(Source: Westchester County, <http://www3.westchestergov.com/colleges>, accessed November 8, 2021).

Utilities

City residents and businesses receive electric and natural gas service from Consolidated Edison. The water supply and distribution system is owned by the City. The City is completely served by sanitary sewers and lies within the County's Bronx Valley Sewer District and the County's Mamaroneck Valley Sewer District.

Communications

The City is served by one regional newspaper, the Journal News, several online media publications and local radio station WFAS (AM & FM).

In 1979 the City granted a cable television franchise to Cablevision of Southern Westchester, Inc. (Cablevision). The cable television system began operations in 1981. The White Plains Cable Television Access Commission manages two television stations within the City. In April 2007, the City entered into an additional franchise agreement with Verizon. The franchise agreements with Cablevision and Verizon expire in April 2022 and July 2028, respectively. Both Cablevision and Verizon broadcast the City's two public access channels.

Because of the City's proximity to New York City, the area is also served by the major radio, television and newspaper media of the New York metropolitan area.

Employees

The City provides services through approximately 805 full-time employees, some of whom are represented by one of five collective bargaining units and from 100 to as many as 500 part-time employees (depending on seasonal needs). The Civil Service Employees Association (“CSEA”) represents clerical workers and various labor groups including certain supervisory personnel; the City of White Plains Police Benevolent Association (“PBA”) is the collective bargaining agent for the City police and superior officers; the White Plains Professional Firefighters Association (“WPPFFA”) is the collective bargaining agent for the City’s firefighters; the Deputy Fire Chiefs Unit of the WPPFFA is the collective bargaining agent for superior fire officers and the International Brotherhood of Teamsters (“Teamsters”) represents the City’s sanitation workers. All bargaining unit contracts expired on June 30, 2021 as talks are ongoing.

Status and Financing of Employee Pension Benefits

All employees of the City eligible for pension or retirement benefits under the Retirement and Social Security Law of the State of New York (“Retirement System Law”) are members of the New York State and Local Employees’ Retirement System (“ERS”) or the New York State and Local Police and Fire Retirement System (“PFRS”), except for certain employees hired on or after July 1, 2013 who are eligible to participate in an optional voluntary defined contribution plan administered and managed by the State University of New York (SUNY) under its SUNY Optional Retirement Program. The ERS is non-contributory with respect to members hired prior to July 27, 1976. All ERS members hired on or after July 27, 1976 and prior to January 1, 2010 with less than 10 years in the system must contribute 3% of gross annual salary toward the cost of retirement programs. The PFRS is non-contributory for all police and fire fighters hired prior to January 1, 2010. All new ERS and PFRS employees hired on or after January 1, 2010 and prior to April 1, 2012 must contribute 3% of their salary for their entire career. All new ERS and PFRS employees hired on or after April 1, 2012 must contribute from 3% to 6% of their salary for their entire career.

Chapter 49 of the laws of 2003 changed the cycle of employer pension contributions billing to match the budget cycles of cities within the state, which allowed the City to more accurately reflect the amount needed to fund such contributions in the City’s annual budget. Chapter 49 of the laws of 2003 also requires the City to make a minimum pension contribution of 4.5% of payroll every year, including years in which the investment performance of the fund would make a lower contribution possible.

On July 30, 2004, Governor Pataki signed into law Chapter 260 of the Laws of 2004 amending the General Law, Local Finance Law and the Retirement and Social Security Law. Among other things, Chapter 260 changed the pension payment date for all local governments from December 15 to February 1 and permitted the legislative body of a municipality or school district to establish a retirement contribution reserve fund for the purpose of financing retirement contributions in the future. The City continues to pay its annual retirement contribution in December, rather than the allowed extension to February.

On August 11, 2010, Governor Andrew Cuomo signed into law Chapter 57 of the laws of 2010, which established the employer Contribution Stabilization Program. This statute gave local governments, including the City, the option to amortize a portion of their annual pension costs. Amortized amounts would be paid in equal annual installments over a ten-year period, and employers may prepay these amounts at any time. Interest will be charged at a rate that approximates a market rate of return on taxable fixed rate securities of a comparable duration, as determined by the State Comptroller. Employers choosing to participate in this program are allowed to pay a lower amount based on a “graded” rate and amortize a portion of their bill. Each year, the graded rate will increase or decrease up to 1 percent annually based on the change in the System’s average rate. Under this program, employers would pay less than the normal contribution rate as rates increase; conversely should the normal contribution rate decrease, employers could be required to pay more than the normal contribution rate. In this case, any excess payments above the normal contribution rate will first be used to pay off existing amortizations. If all amortizations have been paid, any excess will be deposited into a reserve account and will be used to offset future increases in contribution rates. The City has not amortized any of its pension obligations under this program.

On March 29, 2013, Governor Andrew Cuomo signed into law Chapter 57 of the Laws of 2013 establishing the Alternate Contribution Stabilization Program (“ACSP”), which modified the original Contribution Stabilization

Program (“CSP”) adopted in 2010. Like the original CSP, the ACSP was an optional program that established a graded contribution rate system. Participating employers could make a one-time election to enroll in the ACSP for any future amortizations that they intended to make during the 2013-2014 billing cycle. The City has not amortized any of its pension obligations under this program, and the option to participate in the ACSP is now closed.

The following table presents the amount of payments by the City to the New York Retirement Systems for the past five fiscal years and budgeted amounts for the current fiscal year.

| <u>June 30</u> | <u>ERS</u> | <u>PFRS</u> |
|-----------------------|-------------|-------------|
| 2017 | \$5,866,315 | \$9,165,412 |
| 2018 | 6,024,429 | 8,995,742 |
| 2019 | 5,743,362 | 8,981,568 |
| 2020 | 5,645,965 | 8,733,470 |
| 2021 | 5,719,459 | 9,422,971 |
| 2022 (Adopted Budget) | 6,707,296 | 10,761,212 |

Other Post Employment Benefits

The City implemented GASB Statement No. 75 (“GASB 75”) of the Governmental Accounting Standards Board (“GASB”), which replaces GASB Statement No. 45 as of fiscal year ended December 31, 2018. GASB 75 requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and other non-pension benefits, known as other post-employment benefits (“OPEB”). GASB 75 generally requires that employers account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB similarly to GASB Statement No. 68 reporting requirements for pensions.

GASB 75 requires state and local governments to measure a defined benefit OPEB plan as the portion of the present value of projected benefit payments to be provided to current active and inactive employees, attributable to past periods of service in order to calculate the total OPEB liability. Total OPEB liability generally is required to be determined through an actuarial valuation using a measurement date that is no earlier than the end of the employer’s prior fiscal year and no later than the end of the employer’s current fiscal year.

GASB 75 requires that most changes in the OPEB liability be included in OPEB expense in the period of the changes. Based on the results of an actuarial valuation, certain changes in the OPEB liability are required to be included in OPEB expense over current and future years.

The City’s total OPEB liability as of June 30, 2021 was \$618,515,941 using a discount rate of 2.18% and actuarial assumptions and other inputs as described in the City’s June 30, 2021 audited financial statements.

Should the City be required to fund the total OPEB liability, it could have a material adverse impact upon the City’s finances and could force the City to reduce services, raise taxes or both. At the present time, however, there is no current or planned requirement for the City to partially fund its OPEB liability.

At this time, New York State has not developed guidelines for the creation and use of irrevocable trusts for the funding of OPEB. As a result, the City will continue funding this expenditure on a pay-as-you-go basis.

Legislation has been introduced from time to time to create an optional investment pool to help the State and local governments fund retiree health insurance and OPEB. Such legislation would generally authorize the creation of irrevocable OPEB trusts so that the State and its local governments can help fund their OPEB liabilities, establish an OPEB investment fund in the sole custody of the State Comptroller for the investment of OPEB assets of the State and participating eligible local governments, designate the president of the Civil Service Commission as the trustee of the State’s OPEB trust and the governing boards as trustee for local governments and allow school districts to transfer certain excess reserve balances to an OPEB trust once it is established. In addition, there would be no limits on how much a local government can deposit into the trust. The City cannot predict whether such legislation will be enacted into law in the foreseeable future.

Related Entities

The **White Plains Urban Renewal Agency** (“URA”) was established in 1964 as an independent agency succeeding the Urban Renewal Department, which had been established in 1960 as a bureau of the City government. Members of the URA are appointed by the Mayor with approval of the Common Council. Since 1964, the URA has completed several significant projects and is currently working on others. The Central Renewal Project, the most ambitious effort by the URA to date, was started in 1965 and includes within its boundaries, 130 acres of land, which represents one-third of the city’s business district. See “Socioeconomic Profile” herein.

The **White Plains Cable Television Access Commission** was created in 1981. The Commission operates the City’s cable access channels and facilities and acts as franchise administrator for the City. Members of the Commission are appointed by the Mayor with approval by the Common Council.

The **White Plains Center Local Development Corporation** (“WPCLDC”) is a not-for-profit local development corporation that was established exclusively for charitable purposes in order to lessen the burdens of City government by engaging in the following transactions: contract with the City for the demolition of an existing garage; contract with a developer for the construction of the White Plains Center Parking Garage (“City Center Garage”), to provide for future reconstruction and additions to the facility; enter into various leases and subleases with the City regarding the City Center Garage and to contract with the City for the operation and maintenance of the City Center Garage. The Board of Directors of the WPCLDC consists of the Mayor, the Commissioner of Building and the Commissioner of Public Works and is fiscally dependent on the City. The WPCLDC had no reportable assets, liabilities or financial activity for the fiscal year ended June 30, 2021.

The **White Plains Housing Development Corporation** (“WPHDC”) is a not-for-profit corporation created in 1994. Officers of the Corporation are appointed officials of the City serving ex officio, who can be removed by a majority vote of the Common Council. The Corporation was created for the purpose of engaging in or assisting in the acquisition of land and construction and equipping of rental apartment facilities in the City for elderly, handicapped, and low-income individuals and families. The Corporation may issue housing revenue bonds to fund these purposes. The City is not liable for bonds, notes or other obligations of the White Plains Housing Development Corporation. The WPHDC had no reportable assets, liabilities or financial activity for the fiscal year ended June 30, 2021.

The **White Plains Public Library** (the “Library”) is governed by a nine-member Board of Trustees; eight of whom are appointed by the Common Council; the ninth is the Superintendent of the White Plains Public Schools. The Trustees have the power to name the Director, who is approved by the Common Council, and such other persons as may be necessary to maintain the public library and its service to the public. The Library is operated as a Special Revenue Fund, with the majority of its funding provided by real property taxes.

The **White Plains City School District** (the “District”) is governed by members of a Board of Education who are elected by the qualified voters of the District. The District derives a portion of its revenues from property taxes, the assessment of which is based on the City’s taxing procedures. The City is responsible for billing and collecting District taxes and makes the District whole for any uncollected taxes (see “Real Property Tax Collection Procedures and History”, herein). The City guarantees collection on any District taxes in arrears. The Board of Education of the District appoints management and exercises complete responsibility for all fiscal matters. The City is not liable for the payment of bonds, notes or other obligations of the District. The District operates five elementary schools serving grades K-4; one intermediate school serving the fifth and sixth grades; two middle schools, and one high school.

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FINANCIAL FACTORS

Impacts of COVID-19

The COVID-19 pandemic continues to impact the City. In recognition of the impacts on the City, the Fiscal 2022 Adopted Budget contains decreases in sales tax and parking fees and fines. The Fiscal 2022 Adopted Budget also includes a reduction in the use of fund balance.

The American Rescue Plan Act (“ARPA”), which was signed into law on March 11, 2021, is a \$1.9 trillion COVID-19 relief package that includes \$350 billion to state, local and territorial governments to keep their frontline workers employed, distribute the vaccine, increase testing, reopen schools and maintain vital services. The American Rescue Plan also includes an additional \$1,400 payment to eligible individuals and families, enhanced unemployment aid, rental and utility assistance to low and moderate income households, an increase in food stamp benefits, additional funding for child care and an increase in child care tax credits.

The City was notified in April of 2021 by the NYS Division of the Budget that the City would be eligible for \$23.2 million in ARPA payments from the Coronavirus Local Fiscal Recovery Fund. The City was in receipt of the first half of this payment in latter part of May of 2021. It is anticipated that the second payment will be received by the City in the spring of 2022. In preparation of receipt of these payments, the City has developed a listing of revenues lost that would be eligible for reimbursement through this program. These payments will help the City maintain operations and restore/replace or address deficits in certain budget line-items as well as mitigate the reductions in revenue and usage of fund balance.

Although the ARPA provides for funds to be paid to the State, it is not possible to predict whether any future federal legislation will contain reduction in other federal aid to the State. Any reduction in Federal funding levels could have a materially adverse impact on the State budget. In addition to the potential fiscal impact of policies that may be proposed and adopted by the new administration and Congress, the State budget may be adversely affected by other actions taken by the federal government, including audits, disallowances, and changes to federal participation rates or other Medicaid rules. The City will continue to monitor closely the 2022 economic environment and the global COVID-19 pandemic situation, and take the proactive measures as required to ensure the strong financial condition of the City.

Basis of Accounting

The City utilizes the modified accrual basis of accounting for recording transactions in all governmental type funds. Under this method, revenues are recorded when measurable and available to finance the current year’s operations, and expenditures are recorded when due and payable or to the extent they are normally expected to be liquidated with expendable available financial resources.

Independent Audit

The City retains independent Certified Public Accountants to audit its financial statements each year. The last audited report covers the fiscal year ended June 30, 2021.

The Government Finance Officers Association of the United States and Canada (“GFOA”) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of White Plains for its annual comprehensive financial reports for each fiscal year since 1981.

To be awarded a Certificate of Achievement for Excellence in Financial Reporting, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report and the contents must conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

Beginning in 1984, the City has annually received the GFOA Award for Distinguished Budget Presentation. The City was the first in New York State to receive this recognition and has continued to receive this award each year subsequent.

The audits of the City's financial statements are conducted by the City's independent auditor, PKF O'Connor Davies, LLP, Certified Public Accountants. A summary of the City's General Purpose Financial Statements for the fiscal years ended June 30, 2017 through 2021, inclusive, are contained in Appendix B hereto.

Fund Structures and Accounts

The General Fund is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Special Revenue Funds maintained by the City include the Library Fund, the Community Development Block Grant Fund, the Youth Development Fund, the City Center Garage Fund and various other grant and dedicated revenue funds.

The City's Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The City's Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on debt maturing in future years.

The City's Goldie Zeitlin Memorial Fund is a Permanent Fund, used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for programs that support urban concerns.

The City's Water Fund is an Enterprise Fund, and is used to account for transactions relating to the operation and maintenance of the City-owned water treatment and distribution system. Substantially all of the fund's activities are financed through the sale of water to those connected to the water system; no tax moneys are contributed to support this service.

The City's Sewer Rent Fund is an Enterprise Fund and is used to account for the operation and maintenance of the City-owned sanitary sewer system. All of the fund's activities are financed through sewer rents charged to those connected to the sanitary sewer system; no tax moneys are contributed to support this service.

The City's Self-Insurance Fund is an Internal Service Fund, used to account for and report risk management and insurance services to other funds and departments of the City on a cost-reimbursement basis.

The City's Agency Fund is a Fiduciary Fund, where the City holds assets in a custodial capacity on behalf of others. The City's Agency Fund is primarily used to account for employee payroll tax withholdings and various deposits that are payable to other jurisdictions or individuals.

Revenues

Property Taxes. The City derives a major portion of its General Fund revenues from a tax on real property (see "Statement of Revenues, Expenditures and Changes in Fund Balance" in Appendix B, herein). Property taxes account for approximately 34.7% of total General fund revenues for the fiscal year ended June 30, 2021.

The following table sets forth total General Fund revenues and real property tax revenues during each of the last five fiscal years and the amounts budgeted for the current fiscal year.

| <u>Fiscal Year</u> | <u>Property Tax Revenues</u> | | |
|-----------------------|------------------------------|----------------------------|--|
| | <u>Total Revenues</u> | <u>Real Property Taxes</u> | <u>Real Property Taxes to Revenues</u> |
| 2017 | \$154,845,063 | \$49,980,283 | 32.6% |
| 2018 | 157,657,702 | 52,012,076 | 33.0 |
| 2019 | 162,987,463 | 52,936,771 | 32.5 |
| 2020 | 162,830,083 | 55,755,610 | 34.2 |
| 2021 | 166,480,807 | 57,825,534 | 34.7 |
| 2022 (Adopted Budget) | 177,990,422 | 58,871,392 | 33.1 |

Source: Audited Financial Statements and Adopted Budget of the City. 2022 (Budget) Total Revenues and Real Property Taxes in the above table do not include real property taxes collected and remitted to the White Plains Public Library, so that the information is presented in a manner comparable to the actual revenues provided in the audited financial statements.

Sales Taxes. Pursuant to Article 29 of the Tax Law of the State, the City adopted local ordinances in 1973, 1993 and 2008 to impose and collect 2¼% tax on the sale and/or use of certain goods and services (“sale and use tax”). On May 10, 2010 the City adopted an ordinance and received authorization from the State to increase the sale and use tax from 2¼% to 2½% effective June 1, 2010, with the provision that the revenue generated by the additional ¼% would be deposited in a Contingency and Tax Stabilization Reserve Fund created in accordance with Section 6-e of the General Municipal Law. By law, the funds so deposited can only be used by affirmative vote of a super-majority of the Common Council (five of seven votes) to lessen the impact of property tax increases greater than 2½%, and/or provide emergency funding for significant increases in expenditures and/or decreases in revenues that were unforeseen and not provided for in the adoption of the operating budget.

Effective June 1, 2010 most retail sales in the City were subject to an 8.375% sales tax, levied as follows: 4% State, 0.375% Metropolitan Transit Authority, 1.5% County and 2.5% City.

The City derives a major portion of its General Fund revenues from sales tax revenue. For the fiscal year ended June 30, 2021, sales and use tax revenue of \$46,291,045 represented approximately 24.9% of the total General Fund revenues of the City.

The following table sets forth both quarterly and annual sales tax revenues during each of the last five fiscal years and the first and second quarter of the current fiscal year.

| <u>Fiscal Year</u> | <u>Quarterly and Annual Sales Tax Revenues</u> | | | | | <u>Total</u> | <u>Yearly % Increase/(Decrease)</u> |
|--------------------|--|---------------------------|------------------------|---------------------|--------------|--------------|-------------------------------------|
| | <u>July - September</u> | <u>October - December</u> | <u>January - March</u> | <u>April - June</u> | | | |
| 2017 | \$12,805,082 | \$12,757,623 | \$12,227,770 | \$11,519,871 | \$49,310,346 | (1.0)% | |
| 2018 | 12,297,251 | 13,199,951 | 12,484,667 | 12,094,812 | 50,076,881 | 1.6 | |
| 2019 | 12,213,870 | 12,574,130 | 12,843,474 | 12,484,059 | 50,115,533 | 0.1 | |
| 2020 | 13,141,677 | 13,815,389 | 12,896,065 | 7,861,562 | 47,714,693 | (4.8) | |
| 2021 | 10,351,402 | 11,367,270 | 12,043,941 | 12,528,412 | 46,291,045 | (3.0) | |
| 2022 | 13,270,704 | 14,104,992 | n/a | n/a | 27,375,696 | n/a | |

Source: Audited Financial Statements and City Officials.

State Aid. The City receives minimal financial assistance from New York State. 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 City, in this year or future years, the City may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments.

Additionally, if in any year the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the City, may be affected by a delay in the payment of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the City. No assurance can be given that present State aid levels will be maintained in the future. Due to the outbreak of COVID-19, the State declared a state of emergency, which has since been terminated, and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19. The outbreak of COVID-19, and the dramatic steps taken by the State to address it, 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. (See also “*Risk Factors*” herein.)

State aid appropriated and apportioned to the City can be paid only if the State has such monies available and the availability of such monies and the timeliness of such payment could be affected by a delay in the adoption of the State budget.

Should the City fail to receive State aid expected from the State in the amounts and at the times expected, occasioned by a delay in the payment of such monies and not by a cut in State aid, the City is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

The following table sets forth total General Fund revenues and State aid during each of the last five fiscal years and the amounts budgeted for the current fiscal year.

| <u>Fiscal Year</u> | <u>State Aid</u> | |
|-----------------------|-----------------------|------------------------------|
| | <u>Total Revenues</u> | <u>State Aid to Revenues</u> |
| 2017 | \$154,845,063 | \$5,800,770 3.7% |
| 2018 | 157,657,702 | 5,933,288 3.8 |
| 2019 | 162,987,463 | 5,912,905 3.6 |
| 2020 | 162,830,083 | 4,971,294 3.1 |
| 2021 | 166,480,807 | 6,243,023 3.7 |
| 2022 (Adopted Budget) | 184,570,722 | 5,668,755 3.1 |

Source: Audited Financial Statements and Adopted Budget of the City.

Discussion of Recent Financial Operations

2017 Audited Results. For the fiscal year ending June 30, 2017, General Fund revenues and other sources were approximately \$154.9 million and General Fund expenditures and other uses were \$154.2 million, which resulted in a General Fund balance of \$36.1 million, an increase of \$683,606 from the previous fiscal year.

2018 Audited Results. For the fiscal year ending June 30, 2018, General Fund revenues and other sources were approximately \$157.7 million and General Fund expenditures and other uses were \$158.3 million, which resulted in a General Fund balance of \$35.5 million, a decrease of \$595,909 from the previous fiscal year.

2019 Audited Results. For the fiscal year ending June 30, 2019, General Fund revenues and other sources were approximately \$163.0 million and General Fund expenditures and other uses were \$160.1 million, which resulted in a General Fund balance of \$38.5 million, an increase of \$2,933,462 from the previous fiscal year.

2020 Audited Results. For the fiscal year ending June 30, 2020, General Fund revenues and other sources were approximately \$163.0 million and General Fund expenditures and other uses were \$160.2 million, which resulted in a General Fund balance of \$41.1 million, an increase of \$2,641,010 from the previous fiscal year.

2021 Audited Results. For the fiscal year ending June 30, 2021, General Fund revenues and other sources were approximately \$166.0 million and General Fund expenditures and other uses were \$161.9 million, which resulted in a General Fund balance of \$45.7 million, an increase of \$4,593,433 from the previous fiscal year.

Budget Process

Prior to January 15 of each year, the Budget Director furnishes the heads of departments, offices and other spending agencies with instructions for the submission of budget estimates. Not later than February 15, estimates of the expenditure requirements and projected revenues for the new budget year are submitted to the Budget Director. Immediately thereafter, the Budget Director conducts departmental budget hearings to review said estimates, after which revisions can be made to the estimates as deemed appropriate in view of the needs of the various spending agencies and the probable total revenue available to the City. At the first meeting of the Common Council in April, the Budget Director presents the proposed budgets to the Mayor and the members of the Common Council. Immediately thereafter, the Common Council commences consideration and review of the proposed budgets. Public sessions are held by the Common Council during the months of April and May, with at least one public hearing on the proposed budgets. On or before May 30, the budgets are legally enacted through adoption of ordinances by the Common Council. The budgets are not subject to referendum.

Financial Controls

The Commissioner of Finance may not disburse money unless appropriated and not in excess of such appropriated amounts. No appropriation may be used for any purpose other than that for which it is made.

During the course of the year, the Finance Department maintains supervision and control over expenditures and revenues. Encumbrance accounting is used to record purchase orders, contracts and other commitments for the expenditure of monies in order to reserve that portion of the applicable appropriation. Outstanding encumbrances at year end are reported as assignments, commitments or restrictions of fund balances as they do not constitute expenditures or liabilities.

The City Investment Policy

The City's cash balances are considered to be cash on hand, checking accounts and savings accounts. The City maintains a written investment policy that emphasizes a conservative financial approach based upon New York State law. The investment policy is adopted by the Common Council and reviewed annually. The City's available funds are invested in:

- Money market accounts, savings accounts, and certificates of deposit with varying maturities not exceeding one-year issued by a commercial bank or trust company, located and authorized to do business in New York State;
- Obligations of the United States of America when the payment of principal and interest are guaranteed by the United States of America;
- Obligations of the State of New York;
- With the approval of the New York State Comptroller, obligations issued pursuant to Section 24.00 or 25.00 of the Local Finance Law by any municipality, school district, or district corporation other than the municipality, school district, or corporation investing such proceeds; and
- Repurchase agreements involving the purchase and sale of direct obligations of the United States of America.

The City is authorized to and does participate in cooperative investments with other municipalities and school districts under the authority of the New York General Municipal Law. The City's written investment policy requires collateral for demand deposits and certificates of deposit not covered by federal deposit insurance. Assets that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State of New York and its municipalities, school districts and district corporations.

Assets pledged to secure deposits must be delivered to a bank other than the institution in which the deposit is made. Written custodial agreements are required that provide, among other things, that the collateral securities are held separate from the assets of the custodial banks for the benefit of the City. At least monthly, the City determines that the collateral has a market value adequate to cover deposits and that the collateral has been segregated either physically or by book entry.

Investments are stated at cost, except for cooperative investments, which are stated at amortized cost of the cooperative shares and are considered to approximate fair value.

The State Comptroller’s Fiscal Stress Monitoring System and 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 district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State’s school districts and municipalities are operating.

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

The most current applicable report of the State Comptroller designates the City as “No Designation,” with a fiscal score of 1.7% and an environmental score of 0.0%.

See the State Comptroller’s official website for more information on FSMS. Reference to this website implies no warranty of accuracy of information therein.

The financial affairs of the City are subject to periodic compliance reviews by OSC to ascertain whether the City has complied with the requirements of various State and federal statutes. On December 20, 2013 the State Comptroller issued a “Municipal Profile” for the City accompanied by a press release noting that the City is “...on solid financial ground and not facing the demographic and fiscal stress challenges that are afflicting other cities in New York.” (Source: <https://www.osc.state.ny.us/localgov/pubs/fiscalprofiles/whiteplains.pdf>, accessed October 27, 2021).

Recent audits conducted by OSC are summarized below. Complete reports may be obtained from OSC’s website.

| <u>Audit Year</u> | <u>Audit Name</u> | <u>Summary</u> |
|--------------------------|--|--|
| 2018 | Multiple Dwelling Property Inspections | Audit presents findings for the City of White Plains, one of six municipalities audited in our Statewide report entitled Multiple Dwelling Property Inspections. |
| 2017 | Parking Structures | Audit presents findings for the City of White Plains, one of six municipalities audited for our Statewide report entitled Parking Structures |
| 2017 | Claims Auditing | The City's charter requires that the Commissioner audit all claims, which was not completed in accordance with charter requirements. However, except for minor discrepancies, OSC found that claims reviewed were for appropriate City purposes, properly itemized, supported and approved before payment. |

See the State Comptroller’s official website for more information. Reference to this website implies no warranty of accuracy of information therein. References to websites and/or website addresses presented herein are for informational purposes only. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

REAL PROPERTY TAXES

Limitation on Real Estate Tax Levy

The City is responsible for levying taxes for City purposes. The City’s real property tax levying powers, other than for debt service and certain other enumerated purposes, are limited by the State Constitution to 2.0% of the five-year average full valuation of taxable real property of the City.

The following table sets forth the computation of the City’s Constitutional Tax Limit for fiscal year ending June 30, 2022:

Real Property Tax Assessments and Tax Margin (Constitutional Tax Limit)

| Fiscal Year Ending | | State Equalization | |
|---|---------------------------|--------------------|-----------------------|
| <u>June 30:</u> | <u>Assessed Valuation</u> | <u>Ratio</u> | <u>Full Valuation</u> |
| 2018 | \$281,659,061 | 3.17% | \$ 8,885,143,880 |
| 2019 | 283,141,289 | 2.75 | 10,296,046,873 |
| 2020 | 283,027,686 | 2.69 | 10,521,475,316 |
| 2021 | 284,515,957 | 2.65 | 10,736,451,208 |
| 2022 | 284,300,633 | 2.66 | <u>10,687,993,722</u> |
| Total Five-Year Full Valuation | | | \$51,127,110,998 |
| Five-Year Average Full Valuation | | | 10,225,422,200 |
| 2% of Five-Year Average Full Valuation | | | 204,508,444 |
| Adopted Tax Levy ⁽¹⁾ | | | 66,151,692 |
| Less Amounts Excluded by Law | | | 13,350,860 |
| Tax Levy Subject to Tax Margin | | | 52,800,832 |
| City Tax Margin | | | \$151,707,612 |
| Percent of Constitutional Tax Limit Exhausted | | | 25.82% |

(1) Adopted Tax Levy includes Business Improvement District Assessment.

Source: Office of the New York State Comptroller and City Officials.

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Assessed Valuation by Property Category

The City's assessed valuation is comprised of one, two, and three family residences; condominiums, apartment houses and cooperative apartments; and commercial properties. The following table sets forth the trend of valuation of these different property classifications.

Assessed Valuation of Taxable Real Property

| <u>Fiscal Year</u> | <u>One-Three Family Residences</u> | <u>% of Total</u> | <u>Condo, Co-Ops, Apartments</u> | <u>% of Total</u> | <u>Commercial</u> | <u>% of Total</u> | <u>Total Assessed Valuation</u> | <u>Yearly Percentage Change</u> |
|--------------------|------------------------------------|-------------------|----------------------------------|-------------------|-------------------|-------------------|---------------------------------|---------------------------------|
| 2018 | \$115,569,189 | 41.0% | \$62,767,907 | 22.3% | 103,321,965 | 36.7 | 281,659,061 | 1.72% |
| 2019 | 115,816,025 | 40.9 | 63,174,567 | 22.3 | 104,150,697 | 36.8 | 283,141,289 | 0.53 |
| 2020 | 115,781,336 | 40.9 | 65,387,695 | 23.1 | 101,858,655 | 36.0 | 283,027,686 | (0.04) |
| 2021 | 115,864,367 | 40.7 | 65,625,893 | 23.1 | 103,025,697 | 36.2 | 284,515,957 | 0.52 |
| 2022 | 116,018,982 | 40.8 | 65,720,397 | 23.1 | 102,561,254 | 36.1 | 284,300,633 | (0.08) |

Source: City Officials.

Real Property Tax Collection Procedures and History

The City is responsible for the billing and collection of City, County, and City School District real property taxes, both current and delinquent.

County taxes, billed separately, which include taxes for County, Sewer, and Refuse Collection Districts, are payable in full on or before April 30 without penalty. If these taxes are not paid on or before April 30, a penalty of 1% of taxes due will be added for each month or part thereof that the taxes due remains unpaid. The City is responsible for paying to the County its taxes in full.

City and City School District taxes are included on one bill and are payable in two installments. The first installment is payable during the month of July without penalty. The second installment is payable during the month of January without penalty. If these taxes are not paid on or before July 31 or January 31, a penalty of 1% of taxes due will be added for each month or part thereof that the taxes remain unpaid. Also, an additional 5% penalty is added for School District taxes remaining unpaid at February 20. The City is responsible for paying the School District its taxes in full two years after the taxes are levied.

The City collects water rents and sewer rents based on monthly billing cycles. Residential accounts are billed twice annually. Commercial accounts are billed semiannually or quarterly depending on their level of usage. Bills are payable during their respective months without penalty. At the end of the collection month, a penalty is applied at the rate of 1% for each month or part thereof that the bill remains unpaid. All unpaid water or sewer bills past due one year and over \$10.00 are transferred to the tax roll and accrue penalties at the rate of 1% for each month or part thereof that they remain unpaid. City is entitled to collect taxes, assessments, water rents, sewer rents or other charges on property within the City. Any such amounts unpaid as of the due date become tax liens, whereby the City has a secured interest in the property of the land owner. This lien can be transferred or assigned by the City.

During May of each year, the Department of Finance identifies any lien on real property (taxes, assessments, water rents, sewer rents, and other charges) that is due and unpaid for a period of at least twelve months, as of June 1 of the current year. Every year during May and June, the Department of Finance advertises a list of properties having delinquent taxes in the official newspaper of the City. The affected properties are enumerated in the advertisement, and the aggregate due under the lien shall include those taxes etc., due and unpaid, as of a date specified in the advertisement. There are no tax lien sales in the City. Chapter 602 of the Laws of 1993, which became effective on January 1, 1995, amended the Real Property Tax Law, eliminating municipal authority to enforce unpaid taxes via tax lien sales. To avoid foreclosure, the property owner can pay the delinquent taxes together with the applicable penalty and interest for each month in arrears and any advertising costs by a specified date. The City also allows property owners to enter into installment agreements to avoid foreclosure. Under the terms of these agreements, the property

owners must remain current on all payments due under the installment plan as well as any new billings to avoid foreclosure. Interest and penalties continue to accrue until the installment agreement is satisfied. These agreements can be for any length of time up to two years.

The following table sets forth the total amount of taxes levied and uncollected by the City for its last six fiscal years.

| <u>Year</u> | <u>Tax Levy</u> | <u>Tax Levies and Collections</u> | |
|---------------------|-----------------|-----------------------------------|----------------------------|
| | | <u>Uncollected Amounts</u> | <u>Percent Uncollected</u> |
| 2017 | \$55,648,820 | \$ 17,296 | 0.03% |
| 2018 | 57,844,321 | 29,413 | 0.05 |
| 2019 | 59,844,743 | 72,482 | 0.12 |
| 2020 | 61,436,820 | 157,129 | 0.26 |
| 2021 | 63,879,523 | 388,703 | 0.61 |
| 2022 ⁽¹⁾ | 65,451,672 | 28,481,788 | 38.93 |

(1) As of December 31, 2021.

Source: City Officials.

The following table shows the trend during each of last four years and current year for taxable assessed valuations, State equalization rates, full valuations, real property tax levies and real property tax rates.

| | <u>Valuations, Tax Levies, and Rates</u> | | | | |
|-------------------------------------|--|------------------------|----------------------------|--------------------------|----------------------------|
| | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
| Assessed Value | \$ 281,659,061 | \$ 283,141,289 | \$ 283,027,686 | \$ 284,515,957 | \$284,300,633 |
| Equalization Ratio | 3.17% | 2.75% | 2.69% | 2.65% | 2.66% |
| Full Value | \$8,885,143,880 | \$10,296,046,873 | \$10,521,475,316 | \$10,736,451,208 | \$10,687,993,722 |
| Tax Levy | \$57,844,321 | \$59,844,743 | \$62,136,820 | \$63,879,523 | \$65,451,692 |
| Tax Rates: ¹ | | | | | |
| City | \$205.37 | \$211.36 | \$217.07 | \$224.52 | \$230.22 |
| City School District | \$626.37 | \$644.66 | \$667.20 | \$683.17 | \$692.24 |
| County | \$102.96 | \$103.32 | \$118.14 | \$122.08 | \$114.27 |
| Sewer District ² | 14.68/18.25 | 14.37/18.03 | 17.11/20.64 | 16.51/21.60 | 16.06/21.86 |
| Refuse District | <u>9.26</u> | <u>8.92</u> | <u>9.83</u> | <u>9.59</u> | <u>10.70</u> |
| Total County | <u>\$126.90/130.47</u> | <u>\$126.61/130.27</u> | <u>\$145.08/148.61</u> | <u>\$148.18/153.27</u> | <u>\$141.03/146.83</u> |
| Total City, County, School District | <u>\$958.64/962.21</u> | <u>\$982.63/986.29</u> | <u>\$1,029.35/1,032.88</u> | <u>\$1055.87/1060.96</u> | <u>\$1,063.49/1,069.29</u> |

(1) Per \$1,000 assessed value.

(2) Bronx Valley Sewer District/Mamaroneck Sewer District.

Source: City Officials.

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Ten Largest Taxpayers

The following table presents the assessments of the City's ten largest taxpayers for the 2021-2022 fiscal year.

| <u>Taxable Assessments</u> | | | |
|-----------------------------------|---------------------------|---------------------------|--|
| <u>Taxpayer</u> | <u>Nature of Business</u> | <u>Assessed Valuation</u> | <u>% of Total Assessed Valuation⁽¹⁾</u> |
| Consolidated Edison | Public Utility | \$13,263,475 | 4.69% |
| Westchester Mall, LLC | Retail Outlet | 11,376,450 | 4.02 |
| 44 South Broadway Property LLC | Office Space Rental | 4,035,000 | 1.43 |
| WPP Owner, LLC | Office Space Rental | 3,925,100 | 1.39 |
| Hart BS Commons, LLC | Apartments | 3,803,000 | 1.34 |
| Gateway I Group, Inc. | Office Space Rental | 3,425,000 | 1.21 |
| WP Galleria Realty | Retail Outlet | 2,740,000 | 0.97 |
| 360 Hamilton Plaza | Office Space Rental | 2,675,000 | 0.95 |
| City Center Residential, LLC | Apartments | 2,300,000 | 0.81 |
| Avalon White Plains I, LLC | Apartments | <u>2,249,000</u> | <u>0.79</u> |
| | Total: | <u>\$49,792,025</u> | <u>17.60%</u> |

(1) The City's total assessed value for the 2021-2022 fiscal year is \$284,300,633.

Source: City Officials.

CITY INDEBTEDNESS

Constitutional Requirements

The New York State Constitution limits the power of the City (and other municipalities and school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional and statutory limitations include the following, in summary form, and are generally applicable to the City and the Bonds.

Purpose and Pledge. Subject to certain enumerated exceptions, the City 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 City may contract indebtedness only for a City purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal year periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose or, in the alternative, if substantially level or declining debt service is utilized, the weighted average period of probable usefulness of the several objects or purposes as determined by statute. Unless substantially level or declining annual debt service is authorized and utilized, no installment may be more than fifty percent in excess of the smallest prior installment. The City is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its bonds and such required annual installments on its notes.

Debt Limit. The City has the power to contract indebtedness for any City purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven per centum of the average full valuation of taxable real

estate of the City and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service or the cost of an object or purpose for which a period of probable usefulness has been determined by law. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Board of Real Property Tax Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

There is no constitutional limitation on the amount of real property taxes which may be levied in any fiscal year to pay the principal of and interest on the Bonds. Further, the New York Constitution prohibits the State Legislature from restricting the power of the City to levy real estate taxes for the payment of principal of and interest on indebtedness authorized and issued under the Local Finance Law. However, Chapter 97 of the New York Laws of 2011 imposes a statutory limit on the City's power to increase its annual real property tax levy, including such taxes to pay the principal of and interest on the Bonds. (See "*Legal Matters*" "*Market Factors*" and "*Tax Levy Limit Law*," herein.)

Statutory Procedure

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

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

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

- (1) Such obligations are authorized for a purpose for which the Issuer is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations, and an action contesting such validity, is commenced within twenty days after the date of such publication, or
- (3) Such obligations are authorized in violation of the provisions of the Constitution.

Except on rare occasions the City complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement. The City expects to be in compliance with such procedure with respect to the Bonds by the closing date.

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

The Common Council, as the finance board of the City, has the power to enact bond ordinances. In addition, such finance board has the power to authorize the sale and issuance of obligations. However, such finance board may delegate the power to sell the obligations to the Commissioner of Finance, the chief fiscal officer of the City, pursuant to the Local Finance Law.

Statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than two years

from the date of the first of such notes and provided that such renewals do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein).

In general, the Local Finance Law contains provisions providing the City with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes and budget notes.

Constitutional Debt Limit

The following table sets forth the constitutional debt limit of the City.

| <u>Constitutional Debt Limit</u> | | | |
|---|---------------|--------------|-------------------------|
| Fiscal Year | Assessed | State | |
| Ending | Valuation | Equalization | Full Valuation |
| <u>June 30:</u> | | <u>Ratio</u> | |
| 2018 | \$281,659,061 | 3.17% | \$ 8,885,143,880 |
| 2019 | 283,141,289 | 2.75 | 10,296,046,873 |
| 2020 | 283,027,686 | 2.69 | 10,521,475,316 |
| 2021 | 284,515,957 | 2.65 | 10,736,451,208 |
| 2022 | 284,300,633 | 2.66 | <u>10,687,993,722</u> |
| Total Five-Year Valuation | | | <u>\$51,127,110,998</u> |
| Average Five-Year Valuation | | | <u>\$10,225,422,200</u> |
| Debt Limit - 7% of Average Full Valuation | | | <u>\$715,779,554</u> |

Source: New York State Comptroller's Office.

Statement of Debt Contracting Power

Statutory Debt Limit and Net Indebtedness
(as of February 3, 2022)

| | |
|---|----------------------|
| Debt Limit - 7% of Five Year Average Full Valuation | \$715,779,554 |
| Total Inclusions-Serial Bonds | \$171,430,000 |
| Less Exclusions: | |
| Appropriations | \$10,227,499 |
| Water and Sewer Indebtedness ⁽¹⁾ | <u>55,511,582</u> |
| Total Exclusions | \$65,739,081 |
| Total Net Indebtedness | <u>105,690,919</u> |
| Net Debt-Contracting Margin | <u>\$610,088,635</u> |
| Percentage of Debt-Contracting Margin Exhausted | 14.8% |

(1) Sewer indebtedness excluded pursuant to Section 124.10 of the Local Finance Law.

Remedies Upon Default

Under current law, provision is made for contract creditors (including the Bondholders) of the City to enforce payments upon such contracts, if necessary, through court action, although the present statute limits interest on the amount adjudged due to 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, although judicial mandates have been issued to officials to appropriate and pay judgments out of current funds or the proceeds of a tax levy.

Remedies for enforcement of payment are not expressly included in the City's contract with holders of its bonds and notes, although any permanent repeal by statute or constitutional amendment of a bondholder's remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

The State has consented 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. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debts including judicial control over identifiable and unidentifiable creditors.

In recent times, certain events and legislation affecting remedies on default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders, such courts might hold that future events, including financial crises as they may occur in the State and in municipalities of the State, require the exercise by the State of its emergency and police powers to assure the continuation of essential public services.

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

Bond Anticipation Notes

The City does not have any bond anticipation notes currently outstanding.

Cash Flow Borrowings

During the last twenty years, the City has not issued tax anticipation notes, revenue anticipation notes or budget notes.

Trend of Outstanding Indebtedness

The following table provides information relating to the capital indebtedness outstanding at year end for the past five audited fiscal years.

| | <u>Outstanding Indebtedness</u> | | | | |
|-------------------------|--|----------------------|----------------------|----------------------|----------------------|
| | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
| Bonds | \$160,170,901 | \$140,408,900 | \$158,955,351 | \$180,045,001 | \$175,285,000 |
| Bond Anticipation Notes | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> |
| Total | <u>\$160,170,901</u> | <u>\$140,480,900</u> | <u>\$158,955,351</u> | <u>\$180,045,001</u> | <u>\$175,285,000</u> |

Source: City Officials.

Estimated Overlapping Indebtedness

In addition to the City, the following political subdivisions have the power to issue debt and to levy taxes, or to cause taxes to be levied, on taxable real property in the City.

| | <u>Net General Indebtedness</u> | <u>Percentage Applicable</u> | <u>As of</u> | <u>Indebtedness Applicable to the City</u> |
|-----------------------|-------------------------------------|----------------------------------|--------------|--|
| County of Westchester | \$904,787,617 | 5.64% | 11/16/21 | \$ 51,030,022 |
| White Plains City SD | <u>58,165,000</u> | 100.00 | 6/30/21 | <u>58,165,000</u> |
| Total | \$962,952,617 | | | \$109,195,022 |

Source: County of Westchester Finance Department and White Plains City School District Business Office.

Debt Ratios

The following table presents certain debt ratios relating to the City's net direct and overlapping indebtedness as of February 3, 2022.

| | <u>Amount</u> | <u>Debt Per Capita⁽¹⁾</u> | <u>Debt to Full Value⁽²⁾</u> |
|---|---------------|--|---|
| Net Direct Indebtedness | \$105,690,919 | \$1,775 | 0.99% |
| Net Direct and Overlapping Indebtedness | 211,829,991 | 3,608 | 2.01 |

(1) The population of the City is 59,559, according to the 2020 Census.

(2) The City's full value of taxable real property for fiscal year ending June 30, 2022 is \$10,687,993,722.

Source: New York State Comptroller's Office and City Officials.

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Debt Service Schedule

The following table sets forth all principal and interest payments required on the City's outstanding bonded indebtedness of the City, inclusive of EFC bonds (see "*Environmental Facilities Corporation Obligations*"), inclusive of the Bonds, and exclusive of economically defeased obligations.

Bond Principal and Interest Maturity Table

| Fiscal Year Ending June | | | Total Principal & Interest |
|----------------------------|----------------------|---------------------|----------------------------------|
| <u>30th</u> | <u>Principal</u> | <u>Interest</u> | <u>Interest</u> |
| 2022 ⁽¹⁾ | \$14,295,000 | \$6,019,777 | \$20,314,777 |
| 2023 | 13,165,000 | 6,347,588 | 19,512,588 |
| 2024 | 14,314,999 | 5,864,265 | 20,179,264 |
| 2025 | 14,695,000 | 5,270,479 | 19,965,479 |
| 2026 | 14,640,002 | 4,673,714 | 19,313,716 |
| 2027 | 15,155,000 | 4,100,562 | 19,255,562 |
| 2028 | 12,430,000 | 3,539,259 | 15,969,259 |
| 2029 | 11,830,000 | 3,065,889 | 14,895,889 |
| 2030 | 10,000,000 | 2,628,086 | 12,628,086 |
| 2031 | 9,700,000 | 2,269,357 | 11,969,357 |
| 2032 | 9,995,000 | 1,942,486 | 11,937,486 |
| 2033 | 9,035,000 | 1,629,497 | 10,664,497 |
| 2034 | 7,475,000 | 1,348,425 | 8,823,425 |
| 2035 | 7,695,001 | 1,122,590 | 8,817,591 |
| 2036 | 6,130,000 | 888,113 | 7,018,113 |
| 2037 | 5,485,000 | 698,375 | 6,183,375 |
| 2038 | 5,660,000 | 527,288 | 6,187,288 |
| 2039 | 5,834,998 | 348,422 | 6,183,420 |
| 2040 | 4,525,000 | 190,850 | 4,715,850 |
| 2041 | 2,225,000 | 100,100 | 2,325,100 |
| | <u>\$195,860,000</u> | <u>\$52,622,373</u> | <u>\$248,482,373</u> |

(1) For entire Fiscal Year.

Source: Audited Financial Statements, City Officials and Capital Markets Advisors, LLC.

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Environmental Facilities Corporation Obligations

In 2013 the City issued \$10,775,259 Environmental Facilities Corporation Series 2013B Bonds which mature May 1 2033 (the “EFC Bonds”). Gross interest on the EFC Bonds are subject to a 50% subsidy under the Project Financing Agreement entered into by the City and EFC in connection with the issuance of the EFC Bonds. As of June 30 2021, principal outstanding was \$7,770,000, gross interest remaining totaled \$2,126,303 and net interest remaining totaled \$1,063,152 after 50% subsidy credit applied.

Remaining debt service schedule as follows:

| <u>Fiscal Year</u> <u>Ended</u> | <u>Principal</u> | <u>Gross</u> <u>Interest</u> | <u>Gross Debt</u> <u>Service</u> | <u>Interest</u> <u>Subsidy</u> | <u>Annual Net</u> <u>Debt Service</u> |
|------------------------------------|--------------------|---------------------------------|-------------------------------------|-----------------------------------|--|
| 2022 | \$ 515,000 | \$ 300,023 | \$ 815,023 | \$ 150,012 | \$ 665,011 |
| 2023 | 525,000 | 282,342 | 807,342 | 141,171 | 666,171 |
| 2024 | 530,000 | 263,532 | 793,532 | 131,766 | 661,766 |
| 2025 | 535,000 | 242,748 | 777,748 | 121,374 | 656,374 |
| 2026 | 545,000 | 220,582 | 765,582 | 110,291 | 655,291 |
| 2027 | 555,000 | 196,881 | 751,881 | 98,440 | 653,441 |
| 2028 | 565,000 | 171,827 | 736,827 | 85,913 | 650,914 |
| 2029 | 575,000 | 145,538 | 720,538 | 72,769 | 647,769 |
| 2030 | 590,000 | 119,185 | 709,185 | 59,593 | 649,592 |
| 2031 | 600,000 | 90,604 | 690,604 | 45,302 | 645,302 |
| 2032 | 610,000 | 61,108 | 671,108 | 30,554 | 640,554 |
| 2033 | 625,000 | 31,933 | 656,933 | 15,967 | 640,966 |
| Totals | <u>\$6,770,000</u> | <u>\$2,126,303</u> | <u>\$8,896,303</u> | <u>\$1,063,152</u> | <u>\$7,833,151</u> |

Source: City Officials.

Lease Agreements

Minimum annual rental payments are shown below:

| <u>Fiscal Year</u> <u>Ending June</u> <u>30th</u> | <u>Minimum</u> <u>Annual</u> <u>Rental</u> |
|---|--|
| 2022 | \$288,620 |
| 2023 | 294,392 |
| 2024 | 300,280 |
| 2025 | 306,286 |
| 2026 | 312,411 |
| 2027-2028 | 479,567 |
| Total | <u>\$1,981,556</u> |

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Energy Performance Contract Payable

The City has entered into an agreement to install energy saving streetlights. The agreement provides for monthly payments with interest at 2.75%. Payment schedule appears below.

| Fiscal Year Ending June | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|----------------------------|---------------------|------------------|--------------------|
| <u>30th</u> 2022 | \$ 307,816 | \$ 60,581 | \$ 368,397 |
| 2023 | 316,388 | 52,008 | 368,396 |
| 2024 | 325,199 | 43,197 | 368,396 |
| 2025 | 334,256 | 34,141 | 368,397 |
| 2026 | 343,565 | 24,832 | 368,397 |
| 2027-2031 | <u>717,230</u> | <u>20,693</u> | <u>737,923</u> |
| Total | <u>\$ 2,344,454</u> | <u>\$235,452</u> | <u>\$2,579,906</u> |

Capital Financing and Improvement Programs

Capital planning and budgeting fall under the jurisdiction of the Capital Projects Board, which consists of ten members, seven appointed ex officio: the Commissioners of Finance, Public Works, Public Safety, Planning, Traffic, and Recreation and Parks, and the Budget Director. The remaining three members, who are appointed by the Mayor, consist of a member of the City’s Planning Board and two members of the Common Council. The Mayor appoints one of the Common Council members as the Chairman of the Capital Projects Board. The term of each member appointed by the Mayor is two years.

No later than October 1 of each year, all heads of departments, offices, and other agencies of the City and the Rolling Stock Committee submit to the Budget Director and to the Capital Projects Board, estimates and details of their capital project expenditures proposed for the ensuing fiscal year; detailed reports of all pending capital projects; recommendations for new capital undertakings for the six succeeding fiscal years; and any other information deemed pertinent by the Capital Projects Board. All heads of departments, offices and agencies, and the Rolling Stock Committee have the right, and it is their duty when requested by the Capital Projects Board, to appear and to be heard. The Capital Projects Board may also consult with the Board of Education of the White Plains City School District in order to consider and correlate their respective capital improvement programs to the extent that this is possible.

No later than February 1 of each year, the Capital Projects Board submits its report and recommendations of new capital projects for the City to be included in the budget of the City for the ensuing fiscal year. The Capital Projects Board includes in its report, its recommendations as to new capital undertakings for the ensuing fiscal year, plus the succeeding five fiscal years, and the Budget Director includes this report in the annual budget message. Capital projects are authorized and funded individually by ordinance of the Common Council. The Capital Projects Board meets from time to time during the fiscal year to review the actual expenditures against original estimates and any subsequent revisions made to the original estimates. The Common Council may refer back to the Capital Projects Board any capital projects under construction which it believes are exceeding the original estimates of cost or subsequent revised estimates made by the Capital Projects Board or the Common Council. The Capital Projects Board may also from time to time recommend changes or modifications or other disposition to pending projects.

The following table sets forth, by department, a summary of the major capital projects adopted in the most recent six-year capital improvement program.

Six Year Capital Improvement Program

| Six Year Capital Improvement Program | | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|
| | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
| General Fund | | | | | | |
| Public Works: | | | | | | |
| Buildings | \$1,850,000 | \$2,925,000 | \$2,950,000 | \$2,725,000 | \$1,050,000 | \$425,000 |
| Streets | 3,000,000 | 3,150,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| Storm Water Drains | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Other | 0 | 285,000 | 0 | 0 | 0 | 0 |
| Total Public Works | <u>5,350,000</u> | <u>6,860,000</u> | <u>6,450,000</u> | <u>6,225,000</u> | <u>4,550,000</u> | <u>3,925,000</u> |
| Information Technology | 125,000 | 225,000 | 285,000 | 125,000 | 125,000 | 125,000 |
| Parking | 950,000 | 3,000,000 | 36,615 | 1,390,000 | 2,380,000 | 950,000 |
| Planning | 0 | 0 | 0 | 0 | 0 | 0 |
| Public Safety | 1,050,000 | 780,000 | 220,000 | 100,000 | 805,000 | 145,000 |
| Recreation & Parks | 650,000 | 900,000 | 700,000 | 1,550,000 | 500,000 | 0 |
| Total General Fund | <u>\$8,125,000</u> | <u>\$11,765,000</u> | <u>\$10,685,000</u> | <u>\$9,390,000</u> | <u>\$8,360,000</u> | <u>\$5,145,000</u> |
| Library Fund | 0 | 0 | 0 | 0 | 0 | 0 |
| Cable TV | 0 | 0 | 0 | 0 | 0 | 0 |
| Sewer Rent Fund | 900,000 | 500,000 | 700,000 | 1,000,000 | 500,000 | 500,000 |
| Water Fund | 28,350,000 | 2,000,000 | 2,000,000 | 2,000,000 | 3,700,000 | 2,000,000 |
| Total Projects | <u>37,375,000</u> | <u>14,265,000</u> | <u>13,385,000</u> | <u>12,390,000</u> | <u>12,560,000</u> | <u>7,645,000</u> |
| Rolling Stock | 3,777,000 | 6,213,000 | 6,796,500 | 5,353,000 | 6,286,500 | 2,051,500 |
| GRAND TOTAL | <u>\$41,152,000</u> | <u>\$20,478,000</u> | <u>\$20,181,500</u> | <u>\$17,743,000</u> | <u>\$18,846,500</u> | <u>\$9,696,500</u> |

Source: 2021-2027 Capital Improvement Program. The City of White Plains.

Authorized and Unissued Long-Term Debt

As of February 3, 2022, the City had authorized but unissued long-term debt pursuant to various bond ordinances in the amount of \$28,162,200 which includes projects to be financed with proceeds of the Bonds.

SOCIOECONOMIC PROFILE

Regional Hub

Located just 25 miles north of Manhattan at the center of Westchester County where the Cross-Westchester Expressway/Interstate 287 (I-287) intersects with several north-south limited access highways (Bronx River Parkway, Hutchinson River Parkway, and I-684), White Plains is a regional economic center and destination for business, government, transportation, healthcare and shopping. In addition to the numerous retail outlets, corporate offices and medical facilities, White Plains is the County seat and home to the Westchester County Civic Center.

The White Plains TransCenter is a major hub for both the Metro-North Railroad and the Westchester County Bee-Line bus system. With 20,000 rail passengers (in and out) trips daily⁽¹⁾, the White Plains station is the second busiest station in the Metro-North Railroad system and an express stop on the Harlem Line offering a short 35-minute commute to and from New York City's Grand Central Station. In addition, the Bee-Line bus system provides service to commuters, as well as for travelers to and from the Westchester County Airport making 25,000 bus passenger trips through the TransCenter each weekday⁽²⁾. The Other regional transit operators including Adirondack Trailways and Coach USA provide express bus service to and from White Plains with intercity passenger service to Stamford, Boston, Long Island, Ithaca, and Albany.

(1) Metro-North Railroad, 2007 data.

(2) Westchester County Department of Public Works.

Demographic Profile

The City of White Plains had a population of 58,109 in 2019, up 2.2% from the year 2010⁽¹⁾, achieving a higher rate of growth than Westchester County (1.9%) and New York State (0.4%). A compact city, White Plains comprises about six percent of the County's total population, while its land area (9.77 square miles) is only two percent of the County's total. The City's overall population density (5,947 persons per square mile) is more than two and a half times that of the County (2,205) persons per square mile).

The median income for a household in the City is approximately \$84,415⁽²⁾, which is 29 percent higher than the State median (\$65,323) and 10 percent lower than that of the County (\$92,758). The 2017 per capita income for the City was \$51,416.⁴

(1) 2019 Estimates, Bureau of the Census.

(2) 2018 Estimates, Bureau of the Census.

Economic Profile

According to the American Community Survey 2013-2017 5-year estimate, approximately 4,273 businesses and other employer organizations are located in White Plains. Total employment in the City of White Plains was 66,142 workers, with the largest industry sectors being health care and social services (13% of total employment); educational services (11%); professional, scientific, and technical services (11%) and retail trade (10%). While the City is home to many prominent large corporations and institutions (see below), the average number of employees per establishment is approximately 15 workers, an indicator of the importance of small business in the City and of a healthy and diversified economic base.

Among the industry sectors, the wholesale trade sector had the highest sales (\$4.1 billion), followed by professional, scientific, and technical services (\$1.2 billion), retail trade (\$2.0 billion), and, and health care (\$1.4 billion).

Corporate Offices

Since 1960, the City has evolved into a prominent regional office center, which now boasts over 10.8 million square feet of commercial office space in the City⁽¹⁾. Based on its central location, transportation accessibility, and high quality of life, White Plains has become home to many major corporations and organizations such as Heineken USA, ITT, Bunge, Combe, Verizon, Alliance Bernstein, Jagermeister, Dannon, PepsiCo, Krasdale Foods, Nine West, the New York Power Authority, New York Life Insurance, Amalgamated Life, Reader's Digest, the Leukemia & Lymphoma Society and the March of Dimes.

Approximately 60 percent of this space is located in the Central Business District, which has an inventory of over 6.2 million square feet of commercial office space. The commercial vacancy rate in the White Plains Central Business District (CBD) was approximately 17.6% in the second quarter of 2019. Asking rents for Class A office space in the CBD were about \$37.21 per square foot, higher than the County average of approximately \$29.54.

Among the leading retailers located in the City are Bloomingdales, Macy's, Neiman Marcus, Nordstrom, Nordstrom Rack, Target, Sears Roebuck & Company, Burlington Coat Factory, Dick's Sporting Goods, and Raymour & Flanigan. The Westchester, a major up-scale mall, contains many high-end retailers with Nordstrom and Neiman Marcus Stores serving as its anchors. The City's retail market has remained strong, as occupancy rates are high both in the malls and on Mamaroneck Avenue.

(1) Cushman and Wakefield *Markebeat – Westchester County Q2 2019*.

Retail Establishments

White Plains is ranked fifth in the state in annual retail sales volume – retail trade earns approximately \$2 billion in sales annually⁽¹⁾. The City boasts an astounding retail sales per capita figure of \$33,676, more than double that of the

County (\$15,294) and over two and one half times that of the State (\$13,082). The City is a leading retail center for Westchester, Putnam, and Rockland Counties, in addition to Fairfield County, Connecticut.

(1) 2012 Census of Retail Trade, U.S. Department of Commerce, Bureau of the Census.

Health Care Facilities

There are three major not-for-profit health care institutions in the City – Burke Rehabilitation Hospital, New York Presbyterian Hospital, and White Plains Hospital Center (WPHC). Established in 1952 and located on 65 acres near downtown White Plains, the Burke Rehabilitation Hospital is a 150-bed, multi-service rehabilitation center that serves the region. The New York Presbyterian Hospital’s Westchester Division, located on a 233-acre tract southwest of the central business district, is a 325-bed, voluntary psychiatric institution which also conducts teaching and research programs. WPHC, a 301-bed general hospital, is located on Post Road on the southern side of the central business district. In 2009, the City approved the WPHC Modernization Project, which has resulted in the construction of almost 110,000 square feet of new space, and the approval of a new 215,000 square foot hospital office building. In addition, a 160 bed skilled nursing and rehabilitation facility is currently under construction.

Economic Development Activity

The City is a suburb of New York City, located within the affluent County of Westchester. It serves as a major commuter hub as well as a suburban regional center due to its close proximity and accessibility to New York City. The City is headquarters for many corporations and functions as a major regional retail shopping center for the entire New York metropolitan area, which includes Fairfield County, Connecticut.

Access to New York City and the surrounding area is readily available by car, train, or bus. Major interstate highways such as I-287, I-95 and I-87, and a number of state and local parkways and highways go through, or are a short drive from, the City center. The City is also close to one local and three major international airports: Westchester County Airport (7 miles), LaGuardia (25 miles), John F. Kennedy (32 miles) and Newark-Liberty (40 miles). According to the 2019 Census Estimates, incomes within the City and the County compare quite favorably to New York State and the nation:

| <u>Income Type</u> | <u>City of White Plains</u> | <u>Westchester County</u> | <u>New York State</u> | <u>United States</u> |
|--------------------|---------------------------------|-------------------------------|---------------------------|----------------------|
| Per Capita | \$52,683 | \$57,049 | \$39,326 | \$34,103 |
| Median Household | 90,427 | 96,610 | 68,486 | 63,843 |

The City has a very diverse economic base. While land use is predominantly residential, including numerous upper to middle income homes and a variety of multi-family structures and affordable homes, there is significant commercial and retail activity.

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The composition of the City’s land use is presented in the table below

| Parcel Category | Parcel Count |
|--|-----------------|
| Agricultural Properties | 10 |
| Residential Properties | 8,437 |
| Vacant Land | 779 |
| Commercial Properties | 4,495 |
| Recreation and Entertainment Properties | 12 |
| Community Service Properties | 172 |
| Industrial Properties | 10 |
| Public Service Properties | 87 |
| Public Parks, Wild, Forested and Conservation Properties | 73 |
| Total Parcel Count | 14,075 |

Source: City of White Plains Assessor's Office.

Over the past decade more than \$3.5 billion of private redevelopment has been approved. Many new residential and mixed use projects have been developed, with public and private funding invested in infrastructure to make the City a vibrant, attractive and “walkable” city. White Plains is a vibrant city with appeal to both residents and the regional community who work, shop and enjoy the City’s restaurants and entertainment.

In 2018, White Plains was listed among Livability.com’s national “2018 Top 100 Best Places to Live” (<https://livability.com/best-places/top-100-best-places-to-live/2018>) and was rated “A” in Niche’s “Best Places to Raise a Family in New York.” In 2015, the City was named among the top 50 cities in CNN Money Magazine’s Best Places to Live – Money’s List of America’s Best Small Cities and, in 2013, the City was a second-time winner in the America’s Promise Alliance/ING 100 Best Communities competition.

Many employers are located within the City, including Verizon, Con Edison, New York Power Authority, Amalgamated Life Insurance, ITT, Bloomingdales, Nordstrom Inc., Starwood Hotels and Resorts, J.P. Morgan Chase, Skadden Arps, Slate Meagher & Flom LLP, New York Presbyterian Hospital, White Plains Hospital, Burke Rehabilitation Center, Heineken, Disney Publications, the Ritz Carlton Hotel and the City’s major retailers.

Two of the five enclosed shopping malls in White Plains have been approved for redevelopment as mixed-use projects. The three remaining malls and major freestanding retailers have helped maintain White Plains as the center of retail activity for Westchester County and the broader multi-county market. With a combined area of almost four million square feet, retail stores in the City appeal to the consumer at all income levels. Major retailers include such highly-recognized names as Bloomingdale’s, Nieman Marcus, Nordstrom, Macy’s, Sears, Burlington Coat Factory, Target, Dick’s Sporting Goods and Raymour & Flannigan. Smaller high-end shops located in The Westchester Mall include Tiffany & Co., Coach and Burberry. Total estimated average annual retail sales volume exceeds \$3 billion.

White Plains is home to many large corporations and several banks and professional firms. Federal, state and county government operations utilize approximately 10% of the office space available in the City. There are three major hospitals: New York Presbyterian Westchester Campus, Burke Rehabilitation Center and White Plains Hospital Center. Proximity to these hospitals has been a major draw for medical professionals and support facilities. Colleges and universities have expanded in White Plains and include Berkeley College, The College of Westchester, Mercy College, Pace University and Westchester Community College.

All of these sectors combine to make White Plains a regional center for corporate, finance, banking, legal services, health care and higher education. The White Plains Performing Arts Center provides the community with access to a full range of performing arts programs and activities, culturally enriching entertainment, unique programming, a conservatory theater, day camp programs and a venue for the City’s community groups.

Residential and mixed-use development continues to be a major influence in the downtown. A total of 1,511 multi-family units and approximately 31,330 square feet of commercial space is currently under construction, or have

recently begun leasing in the past year. These include: "City Square" (188 units, 19,000 sf commercial) at 50 Main Street," Hale Avenue" (127 units) at 97-103 Hale Avenue, "The Flats at Westchester" (303 units) at 1133 Westchester Avenue, "The Continuum: Phase II" (309 units) at 55 Bank Street, "The Mitchell" (434 units, 8,000 s/f commercial at 131 Mamaroneck Avenue), "Waterstone" (132 senior units) . at 120 Bloomingdale Road, and "199-201 East Post Road" (18 units, 4,330 s/f restaurant).

Additionally, 251,000 square feet of medical office space is under construction at 8 Longview Avenue for the "White Plains Hospital Modernization IV". In 2019, 18,000 s/f of professional office space is under construction at 79 East Post Road for the "White Plains Hospital Professional Offices", and an 88,000 s/f, 160-bed skilled nursing and rehabilitation facility has recently completed construction at 120 Church Street for the "White Plains Institute of Rehabilitation and Health", totaling an additional 357,000 square feet in commercial development.

The following projects, totaling 3,416 dwelling units and 992,614 sf of commercial floor area, have been approved for development, but have not yet begun construction: "Hamilton Green" (860 units, 112,000 sf commercial) at 200 Hamilton Avenue, "60 South Broadway" (814 units, 29,014 sf commercial), "440 Hamilton" (468 units, 1,600 sf commercial), "North Street Community" (329 units), "The Collection" (276 units, 592,000 sf commercial) at 80-106 Westchester Avenue, "The Esplanade" (212 units, 17,000 sf commercial) at 1 Lyon Place, "250 Mamaroneck Avenue" (177 units, 1,900 sf commercial), "Brookfield Commons: Phase II" (129 units) at 141 South Lexington Avenue, "AME Zion" (56 units, 4,800 sf commercial) at 65 Lake Street, "The Boulevard" (12 units, 220,000 sf commercial) at 29-103 West Post Road, "Westmoreland Lofts" (62 units, 4,300 sf commercial) at 136 Westmoreland Avenue, "37 DeKalb" (21 units), and 10,000 square feet of medical office at 6-8 Chester.

Also approved are substantial expansion of houses of worship, campus office parking facilities, and renovation of public areas at downtown office buildings and at the City Center mall. The City is currently reviewing two residential projects, which, if approved, will generate an additional 711 units and 1,200 square feet of commercial space: 1 Water Street (300 units, 1,200 sf commercial), and WP 52 North Broadway (411 units).

Major capital improvements that support the community and economic development totaled \$14.0 million in expenditures during the fiscal year ended June 30, 2020. A detailed listing of these projects can be found in the Capital Projects Fund Project-Length Schedule presented in the Financial Section of this report.

The City's economic base is further strengthened by its high quality transportation systems and easy commute to New York City and Fairfield County, Connecticut. Projects continue to move forward as noted above and the retail and office sectors are seeing the occupancy of major space. The City expects this trend to continue over the next few years due to the diversity of its commercial base.

Long-Term Financial Planning and Major Initiatives

The City operates under the auspices of a comprehensive plan entitled *White Plains Vision - A Plan for the 21st Century* which serves as a planning guide for the City. Updates and revisions to this 1997 plan were adopted by the Common Council in July 2006 to recognize and incorporate changes in the economic, social and physical conditions of the City. The revised Comprehensive Plan will continue to serve as an important planning guide for the City well into the future. The City's Planning Department also published a *2010-14 Consolidated Plan for Public Review*. The City is in the initial stages of developing a new Comprehensive Plan called *One White Plains*. The City has just completed Phase I of the Plan called Imagine which included meetings with key stakeholders, review of prior planning documents, public listening sessions and a citywide public workshop to develop a vision statement for the plan. The new plan is expected to be implemented sometime in 2023. These and other documents concerning long-term economic development and land use planning are available on the City's website at www.whiteplainsny.gov/planning.

In addition to its economic development, the City has invested in its public infrastructure to make the City a vibrant, attractive and active community both day and night. The City maintains a Charter-required six-year Capital Improvement Program that serves as a planning document to ensure that its facilities, equipment and infrastructure are well maintained and operating in peak condition. Under the guidance of a Capital Projects Board, this process gives the City the ability to plan for its capital needs and allocate short- and long-term resources accordingly. The City identifies and quantifies the operational costs associated with its capital projects and budgets the necessary resources. The City's Rolling Stock Committee monitors the condition of all City equipment and vehicles and makes

recommendations on their replacement. The City maintains a vehicle replacement policy which serves as its fleet replacement guide over a ten-year period. Capital improvements totaling \$41.6 million are noted in the adopted budget for fiscal year ending June 30, 2022: rolling stock (\$3.7 million); public buildings (\$1.9 million); public parking (\$1.0 million); infrastructure other than public buildings (\$3.5 million); water system (\$28.4 million); sewer system projects (\$1.0 million); and miscellaneous projects and debt issuance costs (\$2.1 million). Funding for these projects includes tax-supported debt (\$9.9 million); self-liquidating debt (\$30.5 million) and cash and grants (\$1.2 million).

Construction Activity

The residential and commercial development activity summarized above has led to a significant number of building permits issued within the City. The value of the construction for which the Building Department has issued permits has ranged from a low of \$75.5 million in 2012 to a high of \$342.1 million in 2020, including both new and renovated space. In total, almost three quarters of a billion dollars has been invested in building construction activities in the City of White Plains during the last five years.

Estimated Value of Building Construction, 2017-2021, City of White Plains
(\$ in Millions)

| Fiscal Year | New Residential | New Non-Residential | Total New Construction | Additions and Alterations | Total |
|-------------|-----------------|---------------------|------------------------|---------------------------|---------|
| 2017 | 2.9 | 1.5 | 4.4 | 131.7 | 136.1 |
| 2018 | 5.0 | 17.9 | 22.9 | 101.9 | 124.8 |
| 2019 | 106.4 | .7 | 107.1 | 96.8 | 203.9 |
| 2020 | 73.9 | 144.2 | 218.1 | 124.0 | 342.1 |
| 2021 | 42.2 | 0.5 | 42.7 | 198.3 | 241.0 |
| Total | 230.4 | 164.8 | 395.2 | 652.7 | 1,047.9 |

Source: City of White Plains Department of Building.

Population

The following table presents population trends for the City, County and State, based upon historical census data.

| | <u>1980</u> | <u>1990</u> | <u>2000</u> | <u>2010</u> | <u>2020</u> |
|--------|-------------|-------------|-------------|-------------|-------------|
| City | 46,999 | 48,718 | 53,077 | 56,853 | 59,559 |
| County | 866,599 | 874,866 | 923,459 | 949,113 | 1,004,457 |
| State | 17,557,288 | 17,990,456 | 18,976,457 | 19,378,102 | 20,201,249 |

Source: NYS Department of Economic Development, State Data Center, US Department of Commerce, US Census Bureau 2020 Estimates.

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Largest Employers

Major Employers in the City

| <u>Employer</u> | <u>Industry</u> | <u>Number of Employees</u> |
|--|-----------------------------|----------------------------|
| White Plains Hospital Center ⁽¹⁾ | Hospital | 2,800 |
| New York Presbyterian Hospital | Hospital | 1,200 |
| County of Westchester | Local Government | 1,107 |
| White Plains City School District ⁽²⁾ | Education | 1,105 |
| City of White Plains ⁽³⁾ | Local Government | 840 |
| Burke Rehabilitation Hospital | Hospital | 601 |
| Dannon Company | Food-Manufacturer | 600 |
| Allied Barton Security Services | Security Services | 500 |
| Nordstrom | Department Store | 425 |
| YWCA | Non-profit Community Center | 384 |

Source: Infogroup/InfoUSA, unless otherwise noted.

(1) White Plains Hospital Human Resource Department.

(2) White Plains City School District Adopted Budget.

(3) City Personnel Office.

Income

The following table presents median family income for the City, County and State.

| | <u>Median Income</u> | | | | |
|--------|-----------------------------|-------------|-------------|-------------|-------------|
| | <u>1980</u> | <u>1990</u> | <u>2000</u> | <u>2010</u> | <u>2019</u> |
| City | \$25,592 | \$56,684 | \$71,891 | \$ 73,522 | \$115,875 |
| County | 27,280 | 58,862 | 79,881 | 101,324 | 124,670 |
| State | 20,180 | 39,741 | 51,691 | 67,040 | 84,385 |

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

Employment and Unemployment

The following tables provide information concerning employment and unemployment in the City, County and State.

| | <u>Civilian Labor Force</u> (Thousands) | | | | |
|--------|--|-------------|-------------|-------------|-------------|
| | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
| City | 31.6 | 32.1 | 32.1 | 32.3 | 31.7 |
| County | 477.7 | 480.7 | 482.1 | 484.4 | 478.0 |
| State | 9,551.9 | 9,549.1 | 9,521.9 | 9,514.4 | 9,289.2 |

Source: New York State Department Labor. Information not seasonally adjusted.

The following table presents the distribution of the employed population of the City among occupational groups.

Employed Population by Occupational Group

| <u>Occupation</u> | <u>Number</u> | <u>Percentage</u> |
|--|---------------|-------------------|
| Management, professional, and related occupations | 14,976 | 25.8% |
| Service occupations | 6,130 | 10.5 |
| Sales and office occupations | 5,805 | 10.0 |
| Natural Resources, construction, and maintenance occupations | 2,045 | 3.4 |
| Production, transportation, and material moving occupations | 1,788 | 3.1 |

Source: U.S. Department of Commerce, U.S. Census Bureau, 2015-2019 American Community Survey 5- year Estimates.

Unemployment Rate Statistics

Yearly Average

| | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
|----------------------|-------------|-------------|-------------|-------------|-------------|
| City of White Plains | 3.6% | 3.9% | 3.3% | 3.1% | 7.5% |
| Westchester County | 4.4 | 4.5 | 3.9 | 3.6 | 8.4 |
| New York State | 4.9 | 4.6 | 4.1 | 3.8 | 10.0 |

2021 Monthly Figures

| | <u>Jan</u> | <u>Feb</u> | <u>Mar</u> | <u>Apr</u> | <u>May</u> | <u>Jun</u> | <u>Jul</u> | <u>Aug</u> | <u>Sep</u> | <u>Oct</u> | <u>Nov</u> |
|----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| City of White Plains | 5.2% | 5.5% | 4.9% | 4.6% | 4.1% | 4.4% | 4.5% | 4.4% | 3.8% | 3.5% | 3.2% |
| Westchester County | 6.6 | 7.0 | 6.2 | 5.4 | 4.9 | 5.2 | 5.4 | 5.2 | 4.4 | 4.2 | 3.7 |
| New York State | 9.4 | 9.7 | 8.4 | 7.7 | 7.0 | 7.2 | 7.4 | 7.1 | 6.3 | 5.9 | 5.5 |

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

Figures in this section are historical and do not speak as to current or projected employment rates. Unemployment has drastically increased since mid-March 2020 due to the COVID-19 global pandemic and this trend is expected to continue into the foreseeable future. (See “*Risk Factors*” herein for further detail.)

End of Appendix A

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APPENDIX B

SUMMARY OF BUDGETS AND FINANCIAL STATEMENTS

(Summary itself is not audited.)

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**CITY OF WHITE PLAINS
WESTCHESTER COUNTY, NEW YORK**

Adopted Budgets - General Fund

Fiscal Year ending June 30:

| | <u>2021</u> | <u>2022</u> |
|---------------------------|-----------------------------|-----------------------------|
| Revenues: | | |
| Taxes and Related Items | \$113,924,776 | \$111,275,130 |
| Intergovernmental | 7,842,745 | 18,834,205 |
| Charges for Services | 24,824,866 | 19,394,087 |
| Licenses and Permits | 8,696,918 | 9,538,488 |
| Fines and Forfeitures | 10,611,515 | 8,031,395 |
| Miscellaneous | 4,477,563 | 5,902,967 |
| Appropriated Fund Balance | 13,418,783 | 11,594,450 |
| Total Revenues | <u><u>\$183,797,166</u></u> | <u><u>\$184,570,722</u></u> |
| Expenditures: | | |
| General Government | \$46,657,067 | \$45,515,204 |
| Public Safety | 70,309,725 | 72,660,371 |
| Council and Boards | 2,747,672 | 4,921,122 |
| Public Works | 32,067,681 | 30,839,319 |
| Parking | 18,376,499 | 17,425,225 |
| Home & Community Services | 13,638,522 | 13,209,481 |
| Total Expenditures | <u><u>\$183,797,166</u></u> | <u><u>\$184,570,722</u></u> |

Source: Adopted Budgets of the City.

**CITY OF WHITE PLAINS
WESTCHESTER COUNTY, NEW YORK**

Balance Sheet

General Fund

Fiscal Year Ended June 30:

| Assets and Other Debits | <u>2020</u> | <u>2021</u> |
|--|----------------------|----------------------|
| Assets: | | |
| Cash | \$ 56,913,973 | \$ 42,795,082 |
| Investments | 7,609,249 | 7,357,524 |
| Receivables | 5,811,606 | 3,342,970 |
| Due From Other Governments | 1,190,308 | 1,773,797 |
| Due From Other Funds | 975,000 | 2,511,100 |
| Due From Component Units | - | 1,508,031 |
| Inventory | 1,066,715 | 1,120,245 |
| Prepaid Expenditures | 33,811 | 35,228 |
| | <hr/> | <hr/> |
| Total Assets | <u>\$ 73,600,662</u> | <u>\$ 60,443,977</u> |
| | | |
| Liabilities and Fund Balance: | | |
| Liabilities: | | |
| Accounts Payable | \$ 1,937,864 | \$ 2,038,157 |
| Deposits | 886,122 | 2,813,728 |
| Accrued Liabilities | 846,849 | 1,474,336 |
| Due to Other Governments | 21,869,860 | - |
| Due to New York State Retirement Systems | 3,941,858 | 4,808,991 |
| Unearned Revenues | 1,660,200 | 1,958,563 |
| | <hr/> | <hr/> |
| Total Liabilities | <u>\$ 31,142,753</u> | <u>\$ 13,093,775</u> |
| | | |
| Deferred Inflows of Resources | \$ 1,364,527 | \$ 1,663,387 |
| | | |
| Fund Equity and Other Credits: | | |
| Nonspendable | \$ 1,100,526 | \$ 1,155,473 |
| Restricted | 10,323,233 | 9,953,931 |
| Committed | 319,553 | 296,353 |
| Assigned | 15,908,851 | 14,180,152 |
| Unassigned | 13,441,219 | 20,100,906 |
| | <hr/> | <hr/> |
| Total Fund Balance | <u>41,093,382</u> | <u>45,686,815</u> |
| | | |
| Total Liabilities and Fund Balance | <u>\$ 73,600,662</u> | <u>\$ 60,443,977</u> |

Source: Audited Financial Statements of the City. Summary itself is not audited.

CITY OF WHITE PLAINS
WESTCHESTER COUNTY, NEW YORK
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
Fiscal Year Ended June 30:

| | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| REVENUES | | | | | |
| Taxes and Related Items | \$ 105,167,975 | \$ 106,917,908 | \$ 107,796,471 | \$ 107,396,480 | \$ 107,300,076 |
| Intergovernmental | 7,766,445 | 8,129,070 | 8,581,890 | 8,489,569 | 20,124,366 |
| Charges for Services | 22,371,009 | 22,705,625 | 23,355,763 | 20,696,862 | 17,007,361 |
| Licenses and Permits | 7,654,549 | 7,669,623 | 9,420,518 | 12,127,241 | 9,522,262 |
| Fines and Forfeitures | 8,177,026 | 8,240,855 | 9,075,717 | 8,121,833 | 7,538,190 |
| Interest | 250,482 | 589,253 | 1,341,803 | 955,662 | 78,736 |
| Miscellaneous | 3,457,577 | 3,405,368 | 3,415,301 | 5,042,436 | 4,909,816 |
| Total Revenues | <u>\$ 154,845,063</u> | <u>\$ 157,657,702</u> | <u>\$ 162,987,463</u> | <u>\$ 162,830,083</u> | <u>\$ 166,480,807</u> |
| EXPENDITURES | | | | | |
| Council and Boards | \$ 560,528 | \$ 574,570 | \$ 459,860 | \$ 431,447 | \$ 433,758 |
| General Government | 30,837,661 | 32,792,362 | 33,819,686 | 33,545,512 | 32,947,046 |
| Public Works | 28,802,676 | 29,268,960 | 29,353,669 | 29,020,559 | 29,316,255 |
| Parking | 12,627,381 | 12,314,804 | 12,730,844 | 12,687,230 | 12,519,302 |
| Public Safety | 63,742,156 | 64,588,627 | 64,379,948 | 64,707,581 | 68,500,451 |
| Community Services | 6,439,843 | 6,468,906 | 6,688,374 | 5,899,218 | 4,620,008 |
| Total Expenditures | <u>\$ 143,010,245</u> | <u>\$ 146,008,229</u> | <u>\$ 147,432,381</u> | <u>\$ 146,291,547</u> | <u>\$ 148,336,820</u> |
| Excess of Revenues over (under) Expenditures | <u>\$ 11,834,818</u> | <u>\$ 11,649,473</u> | <u>\$ 15,555,082</u> | <u>\$ 16,538,536</u> | <u>\$ 18,143,987</u> |
| Other Financing Sources (Uses): | | | | | |
| Bond/Notes Issued | \$ - | \$ - | \$ - | \$ - | \$ - |
| Notes Redeemed | - | - | - | - | - |
| Transfers In | 29,961 | - | 1,626 | - | - |
| Transfers Out | (11,181,173) | (12,245,382) | (12,623,246) | (13,897,526) | (13,550,554) |
| Total Other Financing Sources (Uses) | <u>\$ (11,151,212)</u> | <u>\$ (12,245,382)</u> | <u>\$ (12,621,620)</u> | <u>\$ (13,897,526)</u> | <u>\$ (13,550,554)</u> |
| Excess (Def) of Revenues and Other Sources Over Expenditures and Other Uses | <u>683,606</u> | <u>(595,909)</u> | <u>2,933,462</u> | <u>2,641,010</u> | <u>4,593,433</u> |
| Fund Balance Beginning of Year | \$ 35,431,213 | \$ 36,114,819 | \$ 35,518,910 | \$ 38,452,372 | \$ 41,093,382 |
| Fund Balance End of Year | <u>\$ 36,114,819</u> | <u>\$ 35,518,910</u> | <u>\$ 38,452,372</u> | <u>\$ 41,093,382</u> | <u>\$ 45,686,815</u> |

Source: Audited Financial Statements of the City. Summary itself is not audited.

APPENDIX C

**AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED
JUNE 30, 2021***

Can be accessed on the Electronic Municipal Market Access (“EMMA”) website of the Municipal Securities Rulemaking Board (“MSRB”) at the following link:

<https://emma.msrb.org/P21593924.pdf>

The audited financial statements referenced above are hereby incorporated into the attached Official Statement.

*** Such Financial Statements and opinion are intended to be representative only as of the date thereof. PFK O’Connor Davies, LLP, Certified Public Accountants has not been requested by the City to further review and/or update such Financial Statements or opinion in connection with the preparation and dissemination of this Official Statement**