Groton Village Board of Trustees Meeting

Monday, August 21, 2023

Board Members	**Others in attendance:**	
Trustee Conger	Nancy Niswender - Clerk	Pat Albro - YAWS
Trustee Morey	Lt Troy Boice	James Allen
Trustee Walpole	Steve Teeter - Elec Supervisor	Bob
Mayor Neville-absent	Chad Shurtleff - DPW Suprv.	Sharon
Trustee Holl	Mike Albro - YAWS	

7:00pm Deputy Mayor Conger welcomed everyone to the meeting.

Trustee Morey made a motion to approve the minutes of the July 17, 2023 Board Meeting Minutes, seconded by Trustee Walpole, carried.

Audit of claims and approval thereof.

Trustee Walpole made a motion to approve the claims presented for review.
and to adjust the budget as follows:

A4089	Federal Aid- Other	25,000.00	
A9901.9	Interfund Transfer **(Tfr to G Fund)**		25,000.00

The claims paid are covered by the following lists of abstracts of audited vouchers:

	Abstract #3
GENERAL	44,793.26
WATER	20,751.94
SEWER	34,854.42
ELECTRIC	58,933.36
JOINT REC	2,500.17
CAPITAL	153.05

Seconded by Trustee Morey, all in favor, carried.

Monthly Department Reports:

Electric Department:

Supervisor Teeter report was submitted (attached to the minutes)

- Pole Top Training
- Apprentice Training starting back up
- Setting up for Olde Home Days
- Spring St High Line insulators were replaced

Department of Public Works

Supervisor Shurtleff report submitted (attached to the minutes)

- Prepping Clark Street for Repaving.
- Will be wrapping up pool soon.
- Planning infrastructure for Railroad Ave. for New Building Project.

Waste Water Treatment Plant

Mike Albro - Yaws Report was submitted and reviewed (attached to the minutes)

- In touch with Matt Russo - Complaint from DEC. Met with individual concerned. No other odor complaints. Hoping to discontinue use of peroxide soon.
- Repaired screen on press control damaged. BDP came in and changed the software to manual.
- We will be running the aeration during the day and press now that the odor issue has been reduced.
- FROSI reports have been turned in. GHD is going to be giving a recommendation on the Creamery.
- Cleaned and Scrubbed down tanks.

Code Enforcement

Ted Skibinski reviewed his report submitted (attached to the minutes)

- LSI Inspection process is being designed. Creating a new document to get us up to date. A new recommended fee schedule has been presented for approval.

Presentation & Discussion Items

- Review New Building Project - Contracts have been signed. Halco will discuss the hot water heater selection once their engineers finish their plans. The Groundbreaking Ceremony will be held Friday, August 25th at 6pm. Chris Leonard will be in the beginning of next week to begin excavation of the site. The plan is to have the building up and dried in before winter so they can work on the interior over the winter.
- NY Forward Grant Update - We have had a few meetings with Thoma and will be holding an Public informational meeting in September . We have received proposals from several business and property owners. We need to review our public projects - done in the past and future projects. We also need to discuss which projects we would like to submit to the grant. One of the ideas from Thoma is to highlight our water way in the village. We discussed a multi-use water trail that would go from Baker Miller Lumber along the inlet and down to at least 38 and possibly all the way to the high school. This would help with residents wanting more green space, dog parks, and walking trails in the Village. I believe it would also be a good area for kids and others to bike to school and around town. The Grant is due the end of September.

- Gerald Moses Drive Property - Old Chatham has set a closing date for the property in front of their current property on August 30th. We accepted a purchase offer on 8/21/2021 for $60,000. The closing was postponed until this month.

Groton Youth Commission

Trustee Conger reviewed her report attached to the minutes.

Public Comments

Presentation/Discussion Items

- Several residents came in to discuss the concerns of the property at the Groton Historical Museum. The neighboring residents and people using the bench have been leaving trash. As well as unruly residents.
- Bob & Sharon mow the lawn and are recommending the bench be removed to alleviate the problem of the trash.
- Trustee Holl will discuss all issues with the Police LT. to see what solutions can be considered.

Action Items

- Trustee Holl made a motion to have the Mayor sign the closing documents for the property on Gerald Moses Drive to be sold to Old Chatham Creamery for $60,000. seconded by Trustee , all in favor, carried.
- Trustee Walpole made a motion to have Clerk Niswender sign the Municipal Certification form of the Official Statement, that all documentation pertaining to the sale and issuance of the upcoming bond anticipation note borrowing have been reviewed, seconded by Trustee Morey, all in favor, carried.
- Deputy Mayor Conger appointed Zackary Chaffee as full time laborer at a rate of $19.50/hr.
- Trustee Walpole made a motion to approve Southern Soul Rodeo temporary waiver of the Village Noise Ordinance and fire ring display for August 25 - 26, 2023 seconded by Trustee Holl, all in favor, carried.
- Trustee Walpole made a motion to approve the GFD Groton Old Home Days Parade Permit, Saturday, August 26, 2023 seconded by Trustee Holl, all in favor, carried.
- Trustee Morey made a motion to approve the American Legion request to hang Veterans banners on Main St. seconded by Trustee Walpole, all in favor, carried.
- Trustee Holl made a motion to adopt the attached resolution and schedule for Life Safety Inspection Fees as amended, effective September 1, 2023, seconded by Trustee Morey, all in favor, carried.
- Trustee Walpole made a motion to approve the contract from GHD and to have Clerk Niswender sign and submit, seconded by Trustee Morey, all in favor, carried.
- Discussion on request from Kris Buchan to refinance his Community Development Loan and use 129 Main as the Collateral and to discharge the mortgage on 110 Park so that he can sell it. The Loan would be the same % terms and be for 8 years and Kris is willing to set up automatic payments. He would also like the loan to be changed from Tiny Detailes LLC to his name as Tiny Details is no longer in business and he would like to dissolve the LLC. The Board approved to have the agreement drawn up as requested and will be presented at the next meeting.

8:05pm Trustee Holl made a motion to move into executive session to discuss personnel issues. Seconded by Trustee Walpole, all in favor.

8:27pm Trustee Walpole made a motion to move out of executive session, seconded by Trustee Holl, all in favor, carried.

Trustee Walpole made a motion to increase our disability coverage to 3 times at an estimated increase of $680 per a year, seconded by Trustee Holl.

8:28pm Trustee Morey made a motion to adjourn.

Respectfully submitted,

Nancy Niswender
Village Clerk-Treasurer/Administrator

Electric Department Report

August 10, 2023

Work Completed

- Repaired driveway on Cedar Ln.
- Inventoried streetlights in our system
- Trimmed trees
- Chipped brush
- Replaced pole 82-28A on Elm St.
- Safety school in Endicott
- Spliced neutral straight through on pole 24-3 on Railroad Ave
- Changed out CT's on Ross Field
- UDIG Ny mark out's
- Non Pay Shut Off and Turn on
- Replaced stopped meter
- Read Meters
- Repaired flags in the Village
- Helped DPW repair broken valve on Clark St.
- Serviced E1 and replaced brake pads and wiper switch
- Changed out insulators on the high line
- Changed out driver on the chimes
- Hooked up new service at 303 W Cortland St
- Moved poles and concrete blocks off Main St.
- Helped Town pour concrete in salt shed
- Repaired auger for the sewer plant

Village of Groton

143 E Cortland Street, PO Box 100 ◇ Groton, NY 13073
Phone: 607-898-3966 ◇ Fax No. 607-898-4177
TDD: New York State Relay 1-800-662-1220
e-mail: customerservice@grotonny.org

Department of Public Works
July 17 – August 21, 2023

Completed Work/Projects:

- Dig and remove an abandoned fire hydrant on Clark St.
- Repair broken fuel pumps at the garage
- Locate and map 3” water line from the Morton Works
- Repair a broken 12” water main valve
- Clean & repair the backflow valve at the park
- Install a new water service on Clark St. – new house
- Repair a broken curb valve @ 121 Clark St.
- Met resident in regard to an odor complaint at the Waste Water Plant
- Town Highway helping with drainage upgrades on Clark St.
- Move sand for the Rodeo at Old Home Days
- Mark several Dig Safe tickets around the Village
- Mowing and trimming grass every week
- Regrade several manhole frames on Clark St.
- Set up for Old Home Days

Schedule of Work

- Repair concrete wall in the creek at 105 S. Main St.
- Replace 300’ of storm water pipe
- Move the CR pavilion
- Extend 8” water main on Railroad Ave.
- Replace 36” storm pipe on Railroad Ave.

Village of Groton
Fuel Usage Report in Gallons
Dates: 08/21/2023

	Unleaded	Diesel
DPW	326	520
Electric	154	69
Fire	214	55
Police	421	

Board Meeting – Monday, August 21, 2023

Ted Skibinski, Interim Code Officer

Reporting and Accomplishments:

1. Life Safety Inspections – Two inspections completed.
    a. LSI 2023 Spreadsheet and Process Document currently in development
2. LSI 2023 Proposed Fee Schedule - Requires Board Approval and vote.
3. Code letters sent in August – 1
4. Legacy and Current Building Permits Closed in August – 6
5. New Permits in August - 6
6. Active Building Permits – 21
7. Legacy Building Permits – 14
8. NYS CEO Certification Training – 5 of 6 online classes completed. Class 6 is currently in progress.

Groton Youth Commission

143 Cortland St, Groton, NY 13073

Meeting Minutes
August 2, 2023

The August 2, 2023 meeting of the Groton Youth Commission was called to order by Chairman Glenn Morey, at 7:02 pm. Members present were Elizabeth Conger, Vice Chairman; Board members Kayla Esparza, Brian Klumpp, Youth Representative Ellie Dykeman, CCE Program Ass Coordinator Athena Steinkraus, and Coordinator of Community Youth Services Rick Alvord, Sara Knobel and Kristin Prugh were excused.

A donation of $2,500.00 was received from the Groton Community Council. Also receive 2 campership donatios totaling $210.00.

Secretary's Minutes:

Minutes for June 7, 2023 were accepted on a motion by Glenn, seconded by Brian and carried.

Report: Athena Steinkraus: The new software is working well, getting the kinks out! Parent surveys from summer camp are being sent out. CCE has finally acquired a new 12 passenger van, 2014 Ford Transit!! The Groton Program Manager position has been posted. The CCE is using funds received from legalized betting for sports programs.

Campership requests were discussed, 12 families, 16 youth, 53 weeks covered, for a total of $7,550.00. Motion to grant the full request by Glenn, seconded by Brian, motion carried. NOTE: One parent made an error on their request, they wanted $200 (not $100). Change was approved via email. New total $7,650.00.

Report: Andrew Busch, Camp Director: Everything has been running smoothly**,** Getting going was a rush. Themed weeks throughout camp included shark week, Decades week, Mission Impossible, visit from the Sciencenter. Lots of participation with the After Care program. The school is donating the bus and driver for the trip to the Zoo. Thank You! The Groton Fire Department was helpful by providing the necessary Frist Aid Courses. Totals of campers each were 42, 44 ad 3 week of 46. Number of youth served was 65.

Report: Rick Alvord: quiet time for the RYS. Preparing their budget request to the County Legislature, with a 2% increase request.

Meeting adjourned at 7:45 PM

Next meeting is September 6, 2023 @ 7:00PM

Submitted by
Elizabeth Conger
Vice Chair

OFFICIAL STATEMENT DATED AUGUST 29, 2023

NEW ISSUE **BOND ANTICIPATION NOTES**

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

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

VILLAGE OF GROTON
TOMPKINS COUNTY, NEW YORK

(the "Village")

$4,200,000

BOND ANTICIPATION NOTES, 2023

(the "Notes")
(Designated / Bank Qualified)

Dated: September 20, 2023 **Maturity Date: September 19, 2024**

Security and Source of Payment: The Notes are general obligations of the Village and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes. Unless paid from other sources, all the taxable real property within the Village is subject to the levy of *ad valorem* taxes to pay the principal and interest thereon, subject to certain applicable statutory limitations imposed by Chapter 97 of the 2011 Laws of New York (the "Tax Levy Limitation Law); see "NATURE OF OBLIGATION" and "REAL PROPERTY TAX INFORMATION - Tax Levy Limitation Law," herein).

Prior Redemption: The Notes will NOT be subject to prior redemption.

Form and Denomination: The Notes may be issued in denominations of $5,000 each or multiples thereof, as may be determined by the purchaser(s), as stated below. The Notes will be issued in registered form as either book-entry only Notes or registered certificated Notes.

If the Notes will be issued in book-entry form, the Notes will be registered in the name of Cede & Co. as nominee of The Depository Trust Company (DTC), New York, New York which will act as the securities depository for the Notes. Noteholders will not receive certificates representing their ownership interest in the Notes purchased. Payment of the principal of and interest on the Notes to the Beneficial Owner of the Notes will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices. Payment will be the responsibility of DTC, subject to any statutory and regulatory requirements as may be in effect from time to time. See "THE NOTES - Book-Entry-Only System," herein.

If the Notes are issued in registered certificated form, payment of the principal and interest on the Notes will be payable in Federal Funds at the principal corporate trust office of a bank(s) or trust company(ies) located and authorized to do business in the State of New York and to act as a fiscal agent in the State of New York as may be selected by the successful bidder(s), as an expense thereof.

Interest on the Notes will be calculated on a 30-day month and a 360-day year basis, payable at maturity in Federal Funds.

The Notes are offered when, as and if issued and received by the purchaser(s) thereof and subject to the receipt of the approving legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, of New York, New York and certain other conditions. It is anticipated that the Notes will be available for delivery in Jersey City, New

Jersey (through the facilities of DTC) or at such place as may be agreed upon with purchaser(s), on or about September 20, 2023.

THE VILLAGE DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH THE RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER(S), AS MORE FULLY DESCRIBED IN THE NOTICE OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. THE VILLAGE WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS AS DEFINED IN THE RULE (SEE "MATERIAL EVENT NOTICES" HEREIN).

VILLAGE OF GROTON
TOMPKINS COUNTY, NEW YORK

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VILLAGE BOARD

Christopher J. Neville, Mayor
Elizabeth T. Conger, Deputy Mayor

Michael Holl
Jean Morey
Terrance Walpole

* * *

Nancy Niswender, Village Clerk/Treasurer Administrator
Angela Conger, Village Deputy Treasurer
Vicki Marks, Village Deputy Clerk

Peter Grossman Esq., Village Attorney

* * *

BOND COUNSEL

Orrick, Herrington & Sutcliffe, LLP
51 West 52nd Street
New York, New York 10019

* * *

MUNICIPAL SOLUTIONS, INC.
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No dealer, broker, salesman or other person has been authorized by the Village to give any information or to make any representations not contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale. The information set forth herein has been obtained by the Village from sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information, estimates, and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Village since the date hereof.

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OFFICIAL STATEMENT

VILLAGE OF GROTON
TOMPKINS COUNTY, NEW YORK
(the "Village")

$4,200,000 BOND ANTICIPATION NOTES, 2023
(the "Notes")
(Designated / Bank Qualified)

This Official Statement, which includes the cover page and appendices hereto (the "Official Statement), presents certain information relating to the Village of Groton, Tompkins County, New York (the "Village," "County," and "State," respectively) in connection with the sale of the Village's $4,200,000 Bond Anticipation Notes, 2023 (the "Notes").

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

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

NATURE OF OBLIGATION

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

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

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

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

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

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

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

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

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

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

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

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

THE NOTES

Description of the Notes

The Notes are general obligations of the Village and will contain a pledge of its faith and credit for the payment of the principal thereof and interest thereon as required by the Constitution and laws of the State (State Constitution, Article VIII, Section 2; Local Finance Law, Section 100.00). Unless paid from other sources, all the taxable real property within the Village is subject to the levy of *ad valorem* taxes to pay the Notes and interest thereon, sufficient to pay such principal and interest as the same become due, subject to certain applicable statutory limitations imposed by Chapter 97 of the 2011 Laws of New York. (See "NATURE OF OBLIGATION" and "REAL PROPERTY TAX INFORMATION - Tax Levy Limitation Law," herein).

The Notes are dated September 20, 2023 and will bear interest from that date until maturity on September 19, 2024 at the annual rate specified by the purchaser(s). Interest will be computed on the basis of 30 days to the month and 360 days to the year.

The Notes will be issued in either: (i) registered non-book entry form only (registered certificated), in denominations of $5,000 each or multiples thereof, as may be determined by the successful bidder(s) with principal and interest payable at the principal corporate trust office of such bank(s) or trust company(ies) located and authorized to do business and to act as a fiscal agent in the State of New York to be named by the winning bidder(s) or (ii) in book-entry form, and, if so issued, registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), New York, New York which will act as securities depository for the Notes. See "Book-Entry-Only System" herein. A single note will be issued for all Notes bearing the same rate of interest and CUSIP number. Purchasers will not receive certificates representing their interest in the Notes. Principal and interest will be paid in lawful money of the United States of America (Federal Funds) by the Village directly to DTC for its nominee, Cede & Co. If the Notes are issued in registered certificated form, a single note certificate will be issued for all Notes purchased by a purchaser that bear interest at the same rate in the aggregate principal amount awarded to such purchaser at such interest rate.

The financial condition of the Village, as well as the market for the Notes, could be affected by a variety of factors, some of which are beyond the control of the Village. See "MARKET AND RISK FACTORS," herein.

No Optional Redemption

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

Authorization and Purpose

The Notes are issued pursuant to the Constitution and Laws of the State of New York, including among others, the Local Finance Law, Village Law and pursuant to a bond resolution duly adopted by the Village Board on June 19, 2023 authorizing the issuance of up to $4,200,000 of serial bonds to finance the construction of a new municipal and public safety building in and for the Village. The proceeds of the Notes will provide original financing for the project.

Book-Entry-Only System

If DTC acts as securities depository for the Notes, the Notes will be issued as fully-registered notes 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 note certificate will be issued for each note bearing the same CUSIP number and interest rate and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation 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 may be obtained from the website of The Depository Trust Company. Reference to the website implies no warranty of the accuracy of the information contained therein, and the material therein are not included by reference.

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes 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 Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes 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 Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Notes may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of the Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners or, in the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption proceeds, distributions, and dividend payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Village or Agent on payable date in accordance with their respective holdings shown on DTC's records.

Payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with notes held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of the 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 Notes at any time by giving reasonable notice to the Village. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

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

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

Source: The Depository Trust Company.

THE VILLAGE CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE NOTES: (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE NOTES; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THE OFFICIAL STATEMENT.

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

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

Certificated Notes in Certain Circumstances

If DTC is initially utilized, DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the Village and discharging its responsibilities with respect thereto under applicable law, or the Village may terminate its participation in the system of book-entry-only system transfers through DTC at any time. In the event that such book-entry-only system is discontinued and has been utilized by the purchaser(s), the following provisions will apply: the Notes will be issued in registered certificated form in denominations of $5,000 each or any integral multiple thereof, as may be designated by the purchaser(s). Principal of and interest on the Notes, when due, will be payable at the principal corporate trust office of a bank or trust company located and authorized to do business and to act as a fiscal agent in the State of New York to be named by the Village. In all other respects, the terms of the Notes will remain the same.

Special Provisions Affecting Remedies Upon Default

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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 Village indebtedness is past due. The Village has never defaulted in the payment of the principal of and interest on any indebtedness.

THE VILLAGE

General Information

The Village, incorporated in 1860, with an area of approximately 1.74 square miles and a population of 2,145 (2020 U.S. Census), is located in the northeastern portion of Tompkins County. The Village is fully encompassed by the Town of Groton (the "Town") and is located 17 miles northeast of the City of Ithaca and 11 miles west of the City of Cortland.

The Village is primarily a rural residential and agricultural community. Area residents find employment in the Village and Town as well as the cities of Cortland and Ithaca and within the County.

New York State Routes 222 and 38 run directly through the Village and Interstate 81 is in close proximity. Available transportation in the area includes the TCAT bus system and Ithaca Tompkins International Airport located within the nearby Village of Lansing.

The Village Department of Public Works is responsible for building and maintaining Village streets, as well as maintaining the water and sewer facilities located within the Village. The Village has Municipal Electric which is maintained by the Village Electric Department and overseen by the Board of Light Commissioners. Regulation of building construction and street lighting are Village functions. Public safety is provided by the Village Police, the New York State Police and the County Sheriff's Department, fire protection is provided by a volunteer fire department, and emergency medical service is provided by a combined paid & volunteer ambulance company. New York State Electric & Gas Corporation provides natural gas to the Village.

One independently governed school district, Groton Central School District, is located within the Village which relies on its own taxing powers granted by the State to raise revenues. The school district uses the Town's assessment roll as their basis for taxation of property located within the Town. Higher education opportunities are available at Tompkins Cortland Community College, Cornell University, Ithaca College and SUNY Cortland.

Source: Village Officials.

Governmental Organization

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

The legislative power of the Village is vested in the Village Board of Trustees (the “Board”), which consists of five members including the Mayor who is the Chief Executive Officer elected for a term of two years. The four Trustees are elected to two-year terms, two every other year. The Village’s Clerk-Treasurer/Administrator (the “Treasurer”) is appointed and is responsible for the day–to-day operation of the Village and to administer policies and procedures established by the Board.

The Village Attorney is retained on an hourly basis.

Source: Village Officials.

Employees

The Village provides services through approximately 16 full-time employees, 11 part-time employees, and several seasonal employees, none of which are represented by any collective bargaining unions.

DEMOGRAPHIC AND STATISTICAL INFORMATION

The following tables present certain comparative demographic and statistical information regarding the Village, the County, and State and the United States.

Population

Year	Village	County	State	United States
1990	2,398	94,097	17,990,455	249,632,692
2000	2,470	96,501	18,976,457	281,421,906
2010	2.363	101,564	19,378,102	308,745,538
2020	2,145	105,740	20,201,249	331,449,281

Source: U.S. Census Bureau.

Median Household Income

Year	Village	County	State	United States
1990	$26,273	$27,742	$32,965	$30,056
2000	36,047	37,272	43,393	41,994
2017 – 2021	56,688	64,260	75,157	69,021

Source: US Census Bureau, American Community Survey (2017 - 2021).

Per Capita Income

Year	Village	County	State	United States
1990	$10,684	$13,171	$16,501	$14,420
2000	18,108	19,659	23,389	21,587
2017 – 2021	31,078	37,250	43,208	37,638

Source: US Census Bureau, American Community Survey (2017 - 2021).

Unemployment Rate Statistics

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

Annual Averages:	County	State	United States
2018	3.6%	4.1%	3.9%
2019	3.5	3.9	3.7
2020	5.8	9.8	8.1
2021	3.8	7.0	5.3
2022	2.8	4.3	3.6

2023 Monthly Rates:	County	State	United States
January	3.5%	4.6	3.9%
February	2.9	4.5	3.9
March	2.4	4.0	3.6
April	2.0	3.7	3.1
May	2.5	3.8	3.4
June	3.0	4.3	3.8

Source: Department of Labor, State of New York, Bureau of Labor Statistics. Information not seasonally adjusted.

Selected Listing of Larger Employers

Name	Type	Estimated No. of Employees
Groton Central Schools	Public Education	150
Groton Community Health Care	Nursing Home	110
First National Bank of Groton	Financial	37
Old Chatham Creamery	Creamery	31
C&D Assembly	Manufacturing	30
Village of Groton	Municipal	30
Town of Groton	Municipal	15
Baker Miller	Retail	14

Source: Village Officials.

INDEBTEDNESS OF THE VILLAGE

Constitutional Requirements

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

Purpose and Pledge: Subject to certain enumerated exceptions, the Village shall not give or loan any money or property to or in aid of any individual or private corporation or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

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

Payment and Maturity: Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid 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(s) or purpose(s) as determined by statute or the weighted average maturity thereof; unless substantially level or declining annual debt service is authorized by the Village Board of Trustees and utilized, no installment may be more than fifty percent in excess of the smaller prior installment. The Village is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization of its serial bonds and such required annual installments on its notes.

There is no constitutional limitation on the amount that may be raised by the Village by tax on real estate in any fiscal year to pay interest and principal on all indebtedness. However, see "General" below and "NATURE OF OBLIGATION" and "REAL PROPERTY TAX INFORMATION - Tax Levy Limitation Law," herein.

General: The Village is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation, assessment, borrowing money, contracting indebtedness and loaning the credit of the Village so as to prevent abuses in taxation and assessments and in contracting indebtedness; however, the State Legislature is prohibited by a specific constitutional provision from restricting the power of the Village to levy taxes on real property for the payment of interest on or principal of indebtedness theretofore contracted. See "NATURE OF OBLIGATION" and "REAL PROPERTY TAX INFORMATION - Tax Levy Limitation Law" herein.

Statutory Procedure

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

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

The Local Finance Law also provides that 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 Village is not authorized to expend money, or

(2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such 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 Village complies with this estoppel procedure, and has complied with respect to the bond resolution under which the Notes are being issued. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

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

Statutory law in the State 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 issuance of such notes and provided, generally, that such renewals do not exceed five years beyond the original date of borrowing. However, notes issued in anticipation of the sale of serial bonds for assessable improvements are not subject to such five-year limit and may be renewed subject to annual principal reductions for the entire period of probable usefulness of the purpose for which such notes were originally issued. Additionally, in response to the COVID-19 pandemic, legislation has been adopted that allows certain bond anticipation notes originally issued between 2015 and 2021 to be renewed up to seven years prior to the issuance of serial bonds. (See "Payment and Maturity," under "Constitutional Requirements" herein, and the "Details of Short-Term Indebtedness Outstanding," herein.)

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

Debt Limit

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

The following pages present certain details with respect to the indebtedness of the Village as of the date of this Official Statement.

Details of Short-Term Indebtedness Outstanding

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

Revenue and Tax Anticipation Notes

The Village has not found it necessary to borrow in anticipation of taxes or revenues in recent years. As of the date of this Official Statement, Village officials do not anticipate a cash flow borrowing nor budget deficiency notes will be necessary in the foreseeable future.

Status of Outstanding Bond Issues

Year of Issue:	2015		2016		
Amount Issued:	$155,000		$225,000		
Last Maturity:	9/1/2026		6/12/2031		
Interest Rate/Type:	Various – Ref. EFC [1]		2.70% - SB		
Purpose:	Water		Water		
Balance Principal As of 5/31/23:	$60,000		$120,000		
Fiscal Year Ending May 31:	Principal	Interest	Principal		Interest
2024	$15,000	$386	$15,000	*	$3,038
2025	15,000	0	15,000		2,633
2026	15,000	0	15,000		2,228
2027	15,000	0	15,000		1,823
2028			15,000		1,418
2029			15,000		1,013
2030			15,000		608
2031			15,000		203
Totals:	$60,000	$386	$120,000		$12,960

Notes: [1] Refunded the Village's State Environmental Facilities Corporation 2007D bond (interest shown is net of interest subsidy and benefit of refunding).

* Principal payment made prior to the date of this Official Statement.

Status of Outstanding Bond Issues

Year of Issue:	2017		2021	
Amount Issued:	$275,000		$595,000	
Last Maturity:	11/1/2036		5/1/2041	
Interest Rate/Type:	3.00% - SIB		Various – Ref EFC [2]	
Purpose:	Storm Water		Sewer	
Balance Principal As of 5/31/23:	$212,500		$545,000	
Fiscal Year Ending May 31:	Principal	Interest	Principal	Interest
2024	$12,500	$6,375	$25,000	$4,038
2025	15,000	6,000	25,000	3,900
2026	15,000	5,550	25,000	3,694
2027	15,000	5,100	25,000	3,516
2028	15,000	4,650	25,000	3,339
2029	15,000	4,200	30,000	3,146
2030	15,000	3,750	30,000	2,972
2031	15,000	3,300	30,000	2,726
2032	15,000	2,850	30,000	2,466
2033	16,000	2,400	30,000	2,288
2034	16,000	1,920	30,000	2,092
2035	16,000	1,440	30,000	1,852
2036	16,000	960	35,000	1,623
2037	16,000	480	35,000	1,288
2038			35,000	1,054
2039			35,000	805
2040			35,000	462
2041			35,000	152
Totals:	$212,500	$48,975	$545,000	$41,413

Note: [2] Refunded the Village's State Environmental Facilities Corporation 2011C bond (interest shown is net of interest subsidy and benefit of refunding).

* Principal payment made prior to the date of this Official Statement.

Total Annual Bond Principal and Interest Due

Fiscal Year Ending May 31:	Principal	Interest	Total Debt Service	% Paid
2024	$67,500	$13,837	$81,337	7.81%
2025	70,000	12,532	82,532	15.74%
2026	70,000	11,471	81,471	23.56%
2027	70,000	10,439	80,439	31.29%
2028	55,000	9,407	64,407	37.47%
2029	60,000	8,359	68,359	44.04%
2030	60,000	7,329	67,329	50.50%
2031	60,000	6,228	66,228	56.87%
2032	45,000	5,316	50,316	61.70%
2033	46,000	4,688	50,688	66.57%
2034	46,000	4,012	50,012	71.37%
2035	46,000	3,292	49,292	76.10%
2036	51,000	2,583	53,583	81.25%
2037	51,000	1,768	52,768	86.32%
2038	35,000	1,054	36,054	89.78%
2039	35,000	805	35,805	93.22%
2040	35,000	462	35,462	96.62%
2041	35,000	152	35,152	100.00%
Totals:	$937,500	$103,734	$1,041,234	

Source: Village Bond Records.

Other Obligations

As of the date of this Official Statement, the Village has no capital leases or energy performance contracts outstanding.

Trend of Outstanding Debt

	Fiscal Year Ending May 31:				
	2019	2020	2021	2022	2023
Bonds	$1,322,500	$1,225,000	$1,122,500	$1,020,000	$937,500
Bond Anticipation Notes	290,000	280,000	270,000	260,000	0
Total Debt Outstanding	$1,612,500	$1,505,000	$1,392,500	$1,280,000	$937,500

Source: Annual Financial Reports of the Village.

Computation of Debt Limit and Calculation of Net Debt Contracting Margin
(As of August 29, 2023)

Fiscal Year Ending May 31:	Taxable Assessed Valuation	State Equalization Ratio [1]	Taxable Full Valuation
2020	$88,997,021	100.00%	$88,997,021
2021	98,420,187	100.00%	98,420,187
2022	99,647,976	100.00%	99,647,976
2023	99,738,378	100.00%	99,738,378
2024	99,962,971	100.00%	99,962,971
Total Five-Year Valuation [1]	$486,766,533		$486,766,533
Average Five-Year Full Valuation			$97,353,307
Debt Limit - 7% of Average Full Valuation			$6,814,731
Inclusions:			
Serial Bonds			$922,500
Bond Anticipation Notes			0
Total Inclusions			$922,500
Exclusions:			
Water Indebtedness [2]			$165,000
Appropriations [2]			37,500
Total Exclusions			$202,500
Total Net Indebtedness Before Giving Effect to this Issue			$720,000
New Monies this Issue			4,200,000
Total Net Indebtedness After Giving Effect to this Issue [3]			$4,920,000
Net Debt Contracting Margin			$1,894,731

Notes: [1] Equalization ratios are established by the State Office of Real Property Services. The latest year such information is available.

[2] Water indebtedness and budgetary appropriations are automatically excluded pursuant to the provisions of the New York State Constitution and Sections 136.00 of the Local Finance Law.

[3] Represents 72.20% of the Debt Limit of the Village.

Authorized and Unissued Indebtedness

After the issuance of the Notes, the Village will have no authorized and unissued indebtedness.

Capital Project Plans and Anticipated Future Borrowings

The Village is generally responsible for providing services on a Village-wide basis. The Village maintains a road system necessitating road resurfacing and improvements and the acquisition of machinery and, from time to time, equipment. Additionally, although not a capital expense, such road system requires annual expenditures for snow removal as well as regular general operating maintenance expenses. The Village also generally provides the financing for water and sewer facilities and maintains primary responsibility for these functions.

The Village is currently undertaking a project involving the construction of a new municipal and public safety building at an estimated cost of $4,200,000. The project is being funded with the proceeds of the Notes.

In addition, the Village is in the planning stages for a Wastewater Treatment Plant improvements project involving the renovation and replacement of trunk sewer and the headworks at the plant, at an estimated cost of $4,207,566. The Village is in the process of applying for low interest loan and grant funding in connection with the project.

Direct and Overlapping Indebtedness

In addition to the Village, the political subdivisions in the table below have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the Village.

The real property taxpayers of the Village are responsible for a proportionate share of outstanding debt obligations of the County, town and school district, as well as the Village. Such taxpayers' share of this overlapping debt is based upon the amount of the Village's equalized property values taken as a percentage of each separate unit's total values. The table below sets forth both the total outstanding principal amount of debt issued by the Village and the approximate magnitude of the burden on taxable property of the Village of the debt issued and outstanding by such overlapping entities, as of the dates shown.

Calculation of Estimated Overlapping and Underlying Indebtedness

Overlapping Units	Date of Report	Applicable Total Indebtedness	Exclusions [1]	Applicable Net Indebtedness	Full Value of Village in Municipality	Total Full Value of Municipality	% In Village	Estimated Applicable Overlapping Debt
County:								
Tompkins	2023	$64,992,000	$2,570,000	$62,422,000	$99,962,971	$9,211,772,227	1.09%	$677,382
Town:								
Groton	2021	0	0	0	99,962,971	315,816,273	31.65%	0
School District:								
Groton	2023	18,755,000	0	18,755,000	99,962,971	359,407,938	27.81%	5,216,372
Total Net Overlapping Debt:								$5,893,754
Total Net Direct Debt:								4,920,000
Total Overlapping and Direct Debt:								$10,813,754

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

Note: [1] Exclusions consist of indebtedness deductible from gross indebtedness for debt limit purposes pursuant to constitutional and statutory provisions (including water and sewer debt and revenue anticipation notes).

Debt Ratios

The following table presents certain debt ratios relating to the Village's direct and overlapping indebtedness as of August 29, 2023.

	Amount	Debt Per Capita [1]	Debt Full Value [2]
Net Direct Debt	$4,920,000	$2,293.71	4.92%
Total Direct & Applicable Total Overlapping Debt	10,813,754	5,041.38	10.82%

Notes: [1] The population of the Village is 2,145 according to the 2020 US Census Bureau.

[2] The full valuation of real property located in the Village for the 2023-24 fiscal year is $99,962,971.

FINANCES OF THE VILLAGE

Financial Statements and Accounting Procedures

The Village maintains its financial records in accordance with the Uniform System of Accounts for villages prescribed by the State Comptroller. The financial records of the Village are audited by certified independent accountants on an annual basis. The latest such audit made available for public inspection covers the fiscal year ended May 31, 2022. A copy of such report is attached hereto as APPENDIX B. The Village is currently in the process of completing audited financial statements for the fiscal year ending May 31, 2023.

The Statements of Revenues, Expenditures and Changes in Fund Balances and Balance Sheets presented in APPENDIX A of this Official Statement are based on audited financial statements for the 2018 – 2022 fiscal years.

In addition, the financial affairs of the Village are subject to periodic compliance review by the Office of the State Comptroller to ascertain whether the Village has complied with the requirements of various state and federal statutes. The Village has not been the subject of such audit in the last five years.

Fund Structure and Accounts

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

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

The Village presently maintains four major governmental funds including General, Special Grant, Sewer, and Capital Projects, and one proprietary fund which includes the Municipal Electric fund. Account groups are maintained for fixed assets and long-term debt.

Basis of Accounting

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

Expenditures are generally recognized under the modified accrual basis of accounting, that is, when the related fund liability is incurred. An exception to this general rule is interest on unmatured long-term debt, which is recognized when due. Compensated absences, such as vacation and sick leave, which vests or accumulates, are charged as an expenditure when paid.

Investment Policy

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

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

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

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

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

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

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

All Village officials receiving money in their official capacity must turn over such funds to the Chief Fiscal Officer of the Village.

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

Budgetary Procedures

The Village operates on a fiscal year beginning June 1 and ending May 31. Village Law, specifically sections 5-502 through 5-508 governs the Village's budget policy. The Budget Officer for the Village is the Treasurer, or a designated appointee named at the Board's annual organizational meeting. The term of the appointment is one year. The tentative budget, as amended by the Village Board, shall constitute the preliminary budget which will be filed with the Village Treasurer no later than March 20th of each fiscal year for the fiscal year commencing the following June 1 and holds a public hearing thereon no later than May 1st. Subsequent to the budget hearing, revisions, if any, are made and the budget is then adopted by the Village Board as its final budget for the coming fiscal year by May 1st. The budget of the Village is not subject to voter approval. All modifications of the budget must be approved by the governing board.

The Tax Levy Limit Law has had an impact on the Village's budgeting procedures and outcomes, beginning with the Village's budget for its 2012-2013 fiscal year, including limitations on the Village's ability to increase taxes and imposing procedural requirements if the Village elects to exceed the allowable tax levy increase. See "REAL PROPERTY TAX INFORMATION—Tax Levy Limit Law," herein. The Village has not exceeded its tax levy increase in any year.

Financial Operations

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

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

Village finances are operated primarily through the General Fund. All real property taxes and most of the other Village revenues are credited to this fund. Current operating expenditures are paid from this fund subject to available appropriations.

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

Revenues

The Village receives most of its revenues from real property taxes, sales tax and State aid.

A summary of such revenues and other financing sources for the last five fiscal years for which financial information is available and the budgets for the fiscal years ending May 31, 2023 and 2024 may be found in APPENDIX A – Financial Information.

Real Property Taxes

See "REAL PROPERTY TAX INFORMATION," herein.

State Aid

The Village is dependent to a small degree on financial assistance from the State. There can be no assurance that the State appropriation for State aid to municipalities and school districts will not be reduced or delayed in future fiscal years, as the State is not constitutionally obligated to maintain or continue State aid to the Village. The availability of such monies and the timeliness of such payment could be affected by a delay in the adoption of the State budget. In any event, State aid appropriated and apportioned to the Village can be paid only if the State has such monies available therefor.

The State receives a significant amount of federal aid. However, the State's current financial projections concerning federal aid, and the assumptions on which they are based, are subject to revision as more information becomes available about federal tax policy and legislation and other issues under the current presidential administration and Congress.

Reductions 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 current 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 of New York was an early epicenter of the COVID-19 pandemic in the United States, and as a result the State suffered significant revenue shortfalls and unanticipated expenses beginning at the end of the State's 2019-2020 fiscal year and continuing during the State's 2020-2021 fiscal year.

In response, the enacted State budget for the 2020-21 fiscal year allowed the State to reduce expenditures (including aid to local school districts and municipalities) if tax receipts were lower than anticipated. Accordingly, in June 2020, the State Division of the Budget ("DOB") began withholding 20% of most local aid payments, although such aid was generally since restored.

Many of the State's 2020-2021 budget decisions were based on the uncertainty of future federal aid. In the period of time since such decisions were made, the $1.9 trillion American Rescue Plan Act was signed into law (on March 11, 2021), which legislation included almost $24 billion in funding for various levels of government in the State, including approximately $12.5 billion for the State, $6 billion for New York City, and $4 billion to be divided among counties in the State; another $12 billion intended to be used toward the safe reopening of K-12 schools as well as colleges and universities.

Accordingly, the State enacted budget for the 2021-2022 fiscal year was more expansive (about 10% higher) than the prior budget, including significantly increased funding for schools and local governments. School districts benefited from a $1.4 billion increase in Foundation Aid and a three-year Foundation Aid full restoration phase-in that will allow all school districts to receive the increased level of Foundation Aid that was originally promised in 2007, along with a $105 million expansion of full-day prekindergarten. Local governments received a full restoration of proposed cuts to Aid and Incentives for Municipalities ("AIM") funding. Further, municipalities that host Video Lottery Terminal ("VLT") facilities received a full restoration of $10.3 million in proposed VLT aid cuts.

The State enacted budget for the 2022-2023 fiscal year continued to provide increased funding for schools and local governments. School districts benefited from a $1.5 billion increase in Foundation Aid, the continued phase-in to fully restore the level of Foundation Aid that was originally promised in 2007, along with a $125 million expansion of full-day prekindergarten and a $451 million increase in all other school aid programs. For local governments, the level of AIM funding was maintained at $715 million, fully funding this program. Additionally, this budget put an end to the intercept of sales tax to pay $59 million in AIM-related payments to various villages and towns within the state. Further, the budget included a $32.8 billion five-year capital plan for programs and projects administered by the State Department of Transportation with a focus on investments in State and local roads and bridges primarily serving smaller municipalities. This budget continued to provide a similar level of funding for various transportation aid programs as the prior year, while also allocating $100 million to the creation of a new "Pave our Potholes" program.

The State enacted budget for the fiscal year ending March 31, 2024 continues to fully fund AIM payments to local governments, maintaining the $715 million allocated in the prior year's budget.

Although the 2021-2022, 2022-2023 and 2023-2024 budgets contained additional aid for school districts and municipalities, it is uncertain whether the State will have future budget shortfalls necessitating cuts to State aid. Reductions in the payment of State aid could adversely affect the financial condition of municipalities in the State, including the Village. See "COVID-19," herein, for further details on the COVID-19 pandemic and its effects on the State.

The Village believes that it will mitigate the impact of any delays or proposed reductions in State aid by reducing expenditures, increasing revenues, appropriating other available funds on hand, reducing staffing levels, and/or by any combination of the foregoing.

A summary of State aid received by the Village for the last five available fiscal years and the amount budgeted for the fiscal years ending May 31, 2023 and 2024 is as follows:

Fiscal Year Ending May 31:	Total General Fund State Aid	Total General Fund Revenues	Percentage of Total Revenues Consisting of State Aid
2018	$164,213	$1,880,684	8.73%
2019	138,275	1,936,896	7.14%
2020	96,797	1,900,301	5.09%
2021	66,863	1,921,078	3.48%
2022	138,123	2,213,474	6.24%
2023 (Budgeted)	154,300	2,259,821	6.83%
2024 (Budgeted)	164,913	2,369,078	6.96%

Source: Annual Audited Financial Reports and Adopted Budgets of the Village.

Sales Tax

In addition, the Village is dependent to a modest degree on sales tax it receives from the County. The County has a local sales tax rate of 4.00%. Of the first 3%, the County retains 50% and distributes 50% to towns and villages based on population. Of the remaining 1%, the County retains 75% and distributes 25% to the City of Ithaca, towns, and villages.

In response to the COVID-19 pandemic, former Governor Cuomo released a number of executive orders, including the mandate that required the temporary closure of various "non-essential" businesses. As a result of such mandates, sales tax receipts had declined from normal levels beginning in March 2020. As various regions of the State began to reopen, this trend generally reversed. According to a report released by the State Comptroller's office in February 2023, local sales tax collections for 2022 were 12.7% higher ($2.5 billion) compared to 2021. The County's sales tax collections grew by $61.8 million or 6.5% in 2022 when compared to 2021.

A summary of sales tax payments received by the Village for the last five fiscal years for which annual financial statements are available and the amounts budgeted for the fiscal years 2023 and 2024 are as follows:

Fiscal Year Ending May 31:	Total General Fund Sales Tax	Total General Fund Revenues	Percentage of Total Revenues Consisting of Sales Tax
2018	$475,848	$1,880,684	25.30%
2019	508,745	1,936,896	26.27%
2020	502,793	1,900,301	26.46%
2021	513,777	1,921,078	26.74%
2022	581,935	2,213,474	26.29%
2023 (Budgeted)	550,000	2,259,821	24.34%
2024 (Budgeted)	500,000	2,369,078	21.11%

Source: Annual Audited Financial Reports and Adopted Budgets of the Village.

Expenditures

The major categories of expenditure for the Village are General Government Support, Transportation, Culture and Recreation, Employee Benefits and Debt Service. A summary of the expenditures for the five most recently available fiscal years and the estimated expenditures for the 2023 and 2024 fiscal years may be found in APPENDIX A – Financial Information.

The State Comptroller's Fiscal Stress Monitoring System

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," is "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 lists the Village's current fiscal score as 0.0%, putting it in the "No Designation" category.

For a complete list of school district and municipal fiscal stress scores, visit the website of the Office of the State Comptroller. Reference to the website implies no warranty of the accuracy of the information therein, and the material therein are not included by reference.

Employee Pension Benefits

Substantially all employees of the Village are members of the New York State and Local Employees' Retirement System ("ERS") or the New York State Local Police and Fire Retirement System ("PFRS"). (Both Systems are referred to together hereinafter as the "Retirement Systems" where appropriate.) The ERS and PFRS together are generally also known as the "Common Retirement Fund". The Retirement Systems are cost-sharing multiple public employer retirement systems. The obligation of employers and employees to contribute and the benefit to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The Retirement Systems offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers.

Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement Systems are non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 and before April 2, 2012 must contribute 3% of gross annual salary, for the first ten years of service, toward the cost of retirement programs. Chapter 86 of the Laws of 2000 eliminated the 3% contribution for Tier 3 and Tier 4 members with 10 years of service credit. All benefits generally vest after five years of credited service.

On December 10, 2009, former Governor Paterson signed into law pension reform legislation. The legislation created a new Tier 5 pension level, the then-most significant reform of the State’s pension system in more than a quarter-century. Key components of Tier 5 included raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62; requiring employees to continue contributing 3% of their salaries toward pension costs so long as they accumulate additional pension credits, increasing the minimum years of service required to draw a pension from five years to 10 years; capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at $15,000 per year, and for police and firefighters at 15% of non-overtime wages; and increasing the vesting period from five years to 10 years. Tier 5 applies to public employees hired on or after January 1, 2010 and on or before April 1, 2012.

On March 16, 2012, former Governor Cuomo signed into law Chapter 18 of the Laws of 2012, which legislation provided for a new Tier 6 for employees hired after April 1, 2012. The Division of the Budget estimated the new tier will save the State and local governments outside of New York City $80 billion over the next 30 years. The new pension tier has progressive contribution rates between 3% and 6%; it increased the retirement age for new employees from 62 to 63 and included provisions allowing early retirement with penalties. Under Tier 6, the pension multiplier is 1.75% for the first 20 years of service and 2% thereafter; the time period for calculation of final average salary was increased from three years to five years; and the amount of overtime to be used to determine an employee’s pension is capped at $15,000, indexed for inflation, for civilian and non-uniform employees and at 15% of base pay for uniformed employees outside of New York City. It also included a voluntary, portable, defined contribution plan option for new non-union employees with salaries of $75,000 or more.

The State’s enacted budget for the 2022-23 fiscal year, which was signed into law on April 9, 2022, reduced the number of years of service credit required to vest from ten years to five years for Tier 5 and Tier 6. In addition, the enacted budget changed the contribution rate to the system for Tier 6 members from April 1, 2022 through March 31, 2024 to be determined on only the base pay, not including any overtime compensation, earned between April 1, 2020 through March 31, 2022, so as to not penalize those members that worked overtime to provide essential services during the COVID-19 pandemic. Further, the annual earnings limit of $35,000 has been waived for any retiree working in a public school through June 30, 2023.

The following schedule reflects the Village’s contribution to the ERS and PFRS for the last five available fiscal years and the amounts budgeted for the fiscal year ending May 31, 2024:

Fiscal Year Ending May 31:	ERS	PFRS
2019	$121,633	$20,301
2020	119,509	21,474
2021	113,330	23,030
2022	130,151	28,307
2023	100,906	33,981
2024 (Budgeted)	122,070	45,000

The Village is current with all its pension obligations and prepays all pension payments in December of each year to take advantage of the discounted payment amount offered by the System for paying pension obligations in advance of the February 1 due date.

Chapter 49 of the Laws of 2003 changed the cycle of billing to better match budget cycles of the City and other governmental employers. The City is required to make a minimum contribution of 4.50% of payroll every year, including years in which the investment performance of the fund would make a lower contribution possible.

Due to significant capital market declines in the wake of the 2008 and 2009 financial crisis, the Retirement System's portfolio experienced negative investment performance and severe downward trends in market earnings. As a result, the State Comptroller announced that the employer contribution rate for the State's Retirement Systems in 2012 and subsequent years would be higher than the minimum contribution rate established by Chapter 49. For fiscal year 2023-24 average ERS contributions will increase from 11.6% to 13.1% of payroll and PFRS will increase from 27.0% to 27.8%. The System posted a -4.44% return for the fiscal year that ended March 31, 2023.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating local government employers, if they so elect, to amortize an eligible portion of their annual required contributions to both ERS and PFRS, when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a "graded" rate by the State Comptroller in accordance with installments over a ten-year period but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by the State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year's amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating employer's graded payment eliminates all balances owed on prior amortized amounts; any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that such amortizing employer has no currently unpaid prior amortized amount, for future use.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement System Law to authorize participating local government employers, if they so elect, to amortize an eligible portion of their annual required contributions to ERS, when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a "graded" rate by the State Comptroller in accordance with installments over a ten-year period but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by the State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year's amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating employer's graded payment eliminates all balances owed on prior amortized amounts, any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that such amortizing employer has no currently unpaid prior amortized amount, for future use.

The 2013-14 State Budget established an Alternative Contribution Stabilization Program (ACSP) which allowed local governments and school districts to lessen the cash impact of current increases in pension contributions, while repaying the deferrals with interest as well as contributing to a reserve account to dampen future rate increases. Eligible participating employers had the opportunity to make a one-time election in the 2013-14 fiscal year to the ACSP. Interest rates charged on deferrals to participants in the ACSP program were comparable to a 10-year treasury bond adjusted to a 12-year duration, plus one percent. Once a participating employer elected into the program, deferred contributions could be amortized over a period of up to 12 years using the ACSP. A participant could not withdraw from the program. However, a participant did not have to amortize for the full 12-year term of the program. There was no penalty for prepayment of amortized amounts. The plan reduced pension contributions for local governments and school districts in the near future but required higher payments later on. However, those higher payments in later years could be offset, at least in part, by savings from the new pension tier, Tier 6.

The Village has chosen not to participate in either program.

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

Other Post-Employment Benefits

OPEB refers to "other post-employment benefits," and refers to benefits other than pension benefits. OPEB consists primarily of health care benefits and may include other benefits such as disability benefits and life insurance. The Village provides post-employment healthcare benefits to various categories of former employees.

Before the Governmental Accounting Standards Board ("GASB") released its Statement No. 45 ("GASB 45"), OPEB costs were generally accounted for and managed on a pay-as-you-go basis and had not been reported as a liability on the government's financial statements. GASB 45 required state and local governments to account for and report their OPEB costs as they account for vested pension benefits.

In June 2015, GASB issued Statement 75 ("GASB 75"), which superseded and eliminated GASB 45. This Statement established new standards for recognizing and measuring OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. Municipalities and school districts are required to account for OPEB within their financial statements rather than only noted in the footnotes of such documents as previously required by GASB 45. Actuarial valuation is required every two years under GASB 75. GASB 75 was required to be implemented for all municipalities and school districts for fiscal years beginning after June 15, 2017.

Under GASB 75, the Village's annual change in OPEB liability and the total year-end OPEB liability for the past five available years are as follows:

Fiscal Year Ending May 31:	Net Change In OPEB	Ending OPEB Liability
2019	$260,202	$1,871,177
2020	142,878	2,014,055
2021	510,405	2,524,460
2022	120,229	2,644,689
2023	(484,218)	2,160,471

Additional information about GASB 45, GASB 75 and other accounting rules applicable to municipalities and school districts may be obtained from GASB.

REAL PROPERTY TAX INFORMATION

Real Property Taxes

The Village derives its power to levy an *ad valorem* real property tax from the State Constitution; methods and procedures to levy, collect and enforce this tax are governed by the Real Property Tax Law. Assessment valuations are determined by the Village assessor and the State Office of Real Property Services, which is responsible for certain utility and railroad property. In addition, the State Office of Real Property Services annually establishes State Equalization Rates for all localities in the State, which are determined by statistical sampling of market sales/assessment studies. The equalization rates are used in the calculation and distribution of certain State aid and are used by many localities in the calculation of debt contracting and real property taxing limitations.

The Village derives a significant portion of its annual revenue through a direct real property tax. The following table presents the total tax levy for each of the last five available fiscal years.

Tax Collection Record

	Fiscal Year Ending May 31:				
	2020	2021	2022	2023	2024
Taxes on Roll:	$811,500	$828,605	$864,110	$881,463	$901,118
Other Items on Roll:					
520 Charges	119	722	0	0	0
Delinquent Sewer Rent	29,198	27,410	21,375	21,446	8,628
Delinquent Water Rent	21,337	19,910	0	17,432	12,561
Delinquent Fees	1,749	40	40	45	0
Net Taxes and Other Items [1]	$863,903	$876,688	$885,525	$920,386	$922,306
Tax Rate Per $1,000 Assessed Value	$9.12	$8.42	$8.67	$8.84	$9.01

Source: Village Officials.

Note: [1] As far as the Village is concerned, there are no uncollected taxes as the County guarantees payment in full of all Village tax items. See "Tax Collection Record" below.

Percentage of Revenues - Real Property Taxes

Fiscal Year Ending May 31:	Total General Fund Real Property Taxes	Total General Fund Revenues	Percentage of Total Revenues Consisting of Real Property Taxes
2018	$749,252	$1,880,684	39.84%
2019	756,014	1,936,896	39.03%
2020	809,224	1,900,301	42.58%
2021	828,931	1,921,078	43.15%
2022	863,717	2,213,474	39.02%
2023 (Budgeted)	880,923	2,259,821	38.98%
2024 (Budgeted)	900,582	2,369,078	38.01%

Source: Annual Audited Financial Reports and Adopted Budgets of the Village.

Tax Collection Procedure

Taxes are due June 1, payable 31 days after without penalty. Penalties consist of 5% for the month of July and 1% per month thereafter through November 1st. After November 1, uncollected taxes are turned over to the County Treasurer's office and uncollected taxes and penalties are relieved as part of the County tax levy. The County guarantees to pay the village the full amount of such uncollected taxes prior to the end of the Village fiscal year in which the tax was levied.

Source: Village Officials.

Tax Levy Limitation Law

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to all local governments, including school districts (with the exception of New York City, the counties comprising New York City and the Big 5 City School Districts (Buffalo, Rochester, Syracuse, Yonkers and New York). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities tax levies.

On June 25, 2015, Chapter 20 of the 2015 Laws of New York ("Chapter 20") amended the Tax Levy Limitation Law to extend its expiration from June 15, 2016 to June 15, 2020. The State's adopted budget for the fiscal year ending March 31, 2020 made Chapter 97 permanent.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. The State's enacted budget for the fiscal year ending March 31, 2020 made the Tax Levy Limitation Law permanent. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments would be permitted for taxable real property full valuation increases or changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitations for such coming fiscal year only.

There are permissible exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System, and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

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

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

While the provisions of the Tax Levy Limitation Law, as amended do not directly further restrict the taxing power of the affected municipalities, school districts and special districts, they do provide an incentive for such tax levies to remain within the tax cap limits established by the Tax Levy Limit Law. The implications of this for future tax levies and for operations and services of the Village are uncertain at this time.

Constitutional Tax Limit

The State Constitution limits the amount that may be raised by the Village's *ad valorem* tax levy on real property in any fiscal year to two per centum (2%) of the five-year average full valuation of taxable real property of the Village plus (1) the amounts required for principal and interest on all capital indebtedness, and (2) current appropriations for certain capital purposes. The tax limit for the Village for the 2023-24 fiscal year is as follows:

Five-Year Average Full Valuation	$97,353,307
Constitutional Tax Limit: (2%)	1,947,066
Tax Levy General Village Purposes	900,502
Less: Exclusions for Debt and Capital Purposes	183,300
Tax Levy Subject to Debt Limit	717,202
Percentage of Tax Limit Exhausted	36.84%
Constitutional Tax Margin	$1,229,864

Source: Constitutional Tax Limit Worksheet as submitted to the State Comptroller by the Village.

Ten Largest Taxpayers
2022 Assessment Roll used for 2023-24 Taxes

Name	Type	Taxable Assessed Valuation
Sheepherding Creamery, LLC	Manufacturing	$2,250,000
Speedway LLC	Retail	1,405,000
570 DAB 42, LLC	Retail	1,025,000
Ellahi Hafiz Mahboob	Retail	1,000,000
DeMatteo, David M.	Residential Rental	926,900
Vista Realty Associates, LLC	MFG Housing Park	846,880
First National Bank of Groton	Bank	825,000
C&D Assembly, Inc.	Manufacturing	725,000
JerCat Properties LLC	Residential Rental	720,000
NYS Electric & Gas	Utility	598,579
	Total	$10,322,359 [1]

Source: Village Officials.

Note: [1] Represents 10.33% of the 2023-24 Assessed Valuation of $99,962,971 of the Village.

LITIGATION

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

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

MARKET AND RISK FACTORS

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

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

The Village is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes and revenues in order to pay State aid to municipalities and school districts in the State, including the Village, in any year, the Village may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the Village. In some years, the Village has received delayed payments of State aid which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also "State Aid").

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

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

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

The Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the Village and continuing technical and constitutional issues raised by its enactment and implementation could have an impact upon the finances and operations of the Village and hence upon the market price of the Notes. See "REAL PROPERTY TAX INFORMATION – Tax Levy Limitation Law," herein.

Cybersecurity. The Village, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. To mitigate the risks of impact on the Village operations and/or damage from cyber incidents or cyber-attacks, the Village has invested in cybersecurity and other operational controls. While the Village continues to review its policies and practices in this regard, there can be no assurances that such security and operational control measures will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant.

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

The outbreak of COVID-19 across the United States has caused the federal government to declare a national state of emergency. The State of New York has likewise declared a state of emergency and the Legislature has added "disease outbreak" to the definition of "disaster" (which already includes "epidemic") in the relevant Executive Law provision by adoption of Senate Bill S7919, signed by the Governor into law on March 3, 2020. Executive Law Section 24 contains procedures for local governments to declare local states of emergency and issue orders to implement same.

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

Uncertainty regarding the short, medium and long-term effects of the COVID-19 pandemic has caused extreme volatility across all financial markets, including the primary and secondary markets for municipal bonds. In the United States, Congress and the Federal Reserve have taken significant steps to backstop those markets and to provide much-needed liquidity, but the markets remain volatile. Under these conditions, holders of the Notes are likely to have more difficulty trading the Notes on satisfactory terms, or at all.

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

The Village is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations.

TAX MATTERS

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

To the extent the issue price of any maturity of the Notes is less than the amount to be paid at maturity of such Notes (excluding amounts stated to be interest and payable at least annually over the term of such Notes), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Notes which is excluded from gross income for federal income tax purposes and exempt from State of New York personal income taxes. For this purpose, the issue price of a particular maturity of the Notes is the first price at which a substantial amount of such maturity of the Notes is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Notes accrues daily over the term to maturity of such Notes on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Notes to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Notes. Owners of the Notes should consult their own tax advisors with respect to the tax consequences of ownership of Notes with original issue discount, including the treatment of owners who do not purchase such Notes in the original offering to the public at the first price at which a substantial amount of such Notes is sold to the public.

Notes purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Notes") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of Notes, like the Premium Notes, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and an owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such owner. Owners of Premium Notes should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Bond Counsel is of the further opinion that the amount treated as interest on the Notes and excluded from gross income will depend upon the taxpayer's election under Internal Revenue Notice 94-84. Notice 94-84, 1994-2 C.B. 559, states that the Internal Revenue Service (the "IRS") is studying whether the amount of the stated interest payable at maturity on short-term debt obligations (i.e., debt obligations with a stated fixed rate of interest which mature not more than one year from the date of issue) that is excluded from gross income for federal income tax purposes should be treated (i) as qualified stated interest or (ii) as part of the stated redemption price at maturity of the short-term debt obligation, resulting in treatment as accrued original issue discount (the "original issue discount"). The Notes will be issued as short-term debt obligations. Until the IRS provides further guidance with respect to tax-exempt short-term debt obligations, taxpayers may treat the stated interest payable at maturity either as qualified stated interest or as includable in the stated redemption price at maturity, resulting in original issue discount as interest that is excluded from gross income for federal income tax purposes. However, taxpayers must treat the amount to be paid at maturity on all tax-exempt short-term debt obligations in a consistent manner. Taxpayers should consult their own tax advisors with respect to the tax consequences of ownership of Notes if the taxpayer elects original issue discount treatment.

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

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

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Notes for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Village, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Village has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Notes ends with the issuance of the Notes, and, unless separately engaged, Bond Counsel is not obligated to defend the Village or the owners regarding the tax-exempt status of the Notes in the event of an audit examination by the IRS. Under current procedures, owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt Notes is difficult, obtaining an independent review of IRS positions with which the Village legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Notes for audit, or the course or result of such audit, or an audit of Notes presenting similar tax issues may affect the market price for, or the marketability of, the Notes, and may cause the Village or the owners to incur significant expense.

Payments on the Notes generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate owner of Notes may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Notes and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Notes. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against an owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, New York, New York. Bond Counsel's opinion will be substantially in the form attached hereto as APPENDIX C.

MATERIAL EVENT NOTICES

In accordance with the requirements of the Securities and Exchange Commission Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission"), the Village has agreed to provide, or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, during the period in which the Notes are outstanding, to the Electronic Municipal Market Access ("EMMA") System established and operated by the Municipal Securities Rulemaking Board ("MSRB") or such other similar system established and operated by the MSRB, notice of the occurrence of any of the following events with respects to the Notes:

(a) principal and interest payment delinquencies;

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

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

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

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

(f) adverse tax opinions or events affecting the tax-exempt status of the Notes;

(g) modifications to rights of Note holders, if material;

(h) bond and note calls, if material;

(i) defeasances;

(j) release, substitution, or sale of property securing repayment of the Notes; and

(k) rating changes.

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

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

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

(o) incurrence of a "financial obligation" (as defined in the Rule) of the Village, if material, or agreements to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Village, any of which affect Note holders, if material;

(p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Village, any of which reflect financial difficulties.

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

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

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

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

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

The Village reserves the right to terminate its obligation to provide the aforedescribed notices of material events, as set forth above, if and when the Village no longer remains an obligated person with respect to the Notes within the meaning of the Rule.

The Village acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Notes (including holders of beneficial interests in the Notes). The right of holders of the Notes to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the Village's obligations under its material event notices undertaking and any failure by the Village to comply with the provisions of the undertaking will neither be a default with respect to the Notes nor entitle any holder of the Notes to recover monetary damages.

An "Undertaking to Provide Notice of Certain Material Events" to this effect shall be provided to the purchaser(s) at closing.

Within the past five years the Village has not been under any obligation to provide continuing disclosure.

RATING

The Village has not applied for a rating on the Notes.

MUNICIPAL ADVISOR

Municipal Solutions, Inc. is an independent municipal advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities. In preparing the Official Statement, Municipal Solutions, Inc. has relied upon Village officials and other sources, whom have access to relevant data to provide accurate information for this Official Statement. Municipal Solutions, Inc. has not been engaged, nor has it undertaken to, independently verify the accuracy, completeness or fairness of such information. Municipal Solutions, Inc. is not a firm of certified public accountants and has not been engaged by the issuer to compile, review, examine or audit any information in this Official Statement in accordance with accounting standards and principles.

ADDITIONAL INFORMATION

Additional information may be obtained upon request from the Village of Groton, 143 E. Cortland Street, P.O. Box 100, Groton, New York 13073, Telephone: 607-898-3966 or from the office of Municipal Solutions, Inc., 2528 State Route 21, Canandaigua, New York 14424, telephone number 585-394-4090, fax number 585-394-4092, and website at: http://www.municipalsolution.com.

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

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

So far as any statements made in this Official Statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the Village's management's beliefs as well as assumptions made by, and information available to, the Village management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the Village files with the repositories. When used in Village documents or oral presentations, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

Municipal Solutions, Inc. will place a copy of this Official Statement on its website. Unless the Official Statement specifically indicated otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Municipal Solutions, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the Village nor Municipal Solutions, Inc. assumes any liability or responsibility for errors or omissions on such website.

Further, Municipal Solutions, Inc., and the Village disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Municipal Solutions, Inc. and the Village also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

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

VILLAGE OF GROTON

August 29, 2023
Groton, New York

Nancy Niswender
Village Treasurer and Chief Fiscal Office

* *

Additional copies of the Notice of Sale and Official Statement may be obtained upon request
from the office of Municipal Solutions, Inc., 2528 State Route 21,
Canandaigua, New York 14424, telephone (585) 394-4090
Website: www.municipalsolution.com

APPENDIX A

FINANCIAL INFORMATION

Summary of Revenues, Expenditures, and Fund Balances
General Fund - Village of Groton

	Fiscal Year Ending May 31:				
	2018	2019	2020	2021	2022
Revenues:					
Real Property Taxes	$749,252	$756,014	$809,224	$828,931	$863,717
Real Property Tax Items	13,201	14,311	15,125	10,817	10,449
Non Property Tax Items	475,848	508,745	502,793	513,777	581,935
Miscellaneous Taxes	37,142	38,226	39,582	38,092	39,965
Departmental Income	338,917	365,111	364,214	362,037	382,793
Intergovernmental Charges	46,826	80,083	39,374	46,373	67,662
Use of Money & Property	13,386	14,130	14,395	13,973	14,207
Licenses & Permits	18,056	9,387	8,248	11,693	8,158
Fines & Forfeitures	1,000	500	975	600	875
Sale of Property & Comp. for Loss	12,997	7,860	4,773	5,767	56,757
Miscellaneous Local Sources	8,781	3,128	4,801	22,155	24,833
State Aid	164,213	138,275	96,797	66,863	138,123
Federal Aid	1,065	1,126	0	0	24,000
Total Revenues	$1,880,684	$1,936,896	$1,900,301	$1,921,078	$2,213,474
Expenditures:					
General Government Support	$229,596	$245,746	$200,831	$199,453	$271,370
Public Safety	333,639	366,155	372,760	371,908	414,521
Health	293,353	292,998	303,284	330,142	343,135
Transportation	329,750	399,663	327,660	286,350	361,308
Economic Assist. & Opportunity	2,500	8,787	9,650	4,200	6,291
Culture & Recreation	129,420	148,723	167,053	109,404	142,789
Home & Community Services	22,366	22,879	22,035	23,920	34,592
Employee Benefits	303,555	307,354	260,455	236,353	308,490
Debt Service	23,230	64,478	53,975	51,473	49,350
Total Expenditures	$1,667,409	$1,856,783	$1,717,703	$1,613,203	$1,931,846
Other Sources & Uses:					
Operating Transfers In	$15,719	$0	$10,000	$0	$0
Operating Transfers Out	(99,835)	(211,386)	(79,679)	(7,394)	(67,065)
Total Other Sources & Uses	($84,116)	($211,386)	($69,679)	($7,394)	($67,065)
Excess (Deficiency) of Revenues & Other Sources Over (Under) Expenditures & Other Uses	$129,159	($131,273)	$112,919	$300,481	$214,563
Fund Balance Beginning of Year	$745,368	$874,527	$743,254	$856,173	$1,156,654
Fund Balance End of Year	$874,527	$743,254	$856,173	$1,156,654	$1,371,217

Source: Audited Financial Reports of the Village.
Note: This table is NOT audited.

Summary of Revenues, Expenditures, & Fund Balances
Sewer Fund - Village of Groton

	Fiscal Year Ending May 31:				
	2018	2019	2020	2021	2022
Revenues:					
Departmental Income	$296,426	$311,123	$318,002	$320,538	$337,626
Use of Money & Property	2,775	4,175	892	4,601	3,369
Miscellaneous Local Sources	0	0	1,373	0	86
Total Revenues	$299,201	$315,298	$320,267	$325,139	$341,081
Expenditures:					
General Government Support	$5,500	$6,500	$6,500	$6,500	$6,000
Home & Community Services	$210,819	$211,105	$234,042	$258,620	$268,995
Employee Benefits	40,678	40,330	45,471	39,204	39,171
Debt Service	39,188	38,925	38,621	38,289	36,649
Total Expenditures:	$296,185	$296,860	$324,634	$342,613	$350,815
Other Sources & Uses:					
Operating Transfers In	$0	$0	$5,949	$8,754	$24,000
Operating Transfers Out	0	(9,000)	(8,337)	0	(3,774)
Total Other Sources & Uses	$0	($9,000)	($2,388)	$8,754	$20,226
Excess (Deficiency) of Revenues & Other Sources Over (Under) Expenditures & Other Uses	$3,016	$9,438	($6,755)	($8,720)	$10,492
Fund Balance Beginning of Year	$79,342	$82,358	$91,796	$85,041	$76,321
Fund Balance End of Year	$82,358	$91,796	$85,041	$76,321	$86,813

Source: Audited Financial Reports of the Village.

Note: This table is NOT audited.

Balance Sheet
General Fund - Village of Groton

	Fiscal Year Ending May 31:				
	2018	2019	2020	2021	2022
Assets:					
Cash & Cash Equivalents - Unrestricted	$362,394	$241,898	$493,563	$712,919	$989,542
Cash & Cash Equivalents - Restricted	361,829	361,829	136,464	167,078	156,364
Investments	176,184	178,089	228,018	215,339	202,122
Taxes Receivable (Net)	921	1,491	0	0	0
Due from Other Funds	1,100	1,100	0	12,750	0
Due from Other Governments	103,973	167,838	92,749	129,057	174,515
Prepaid Expenses	0	0	450	55,364	62,614
Total Assets	$1,006,401	$952,245	$951,244	$1,292,507	$1,585,157
Liabilities:					
Accounts Payable	$16,664	$100,448	$4,089	$41,293	$35,780
Accrued Liabilities	12,255	13,864	15,044	14,161	18,544
Due to Other Governments	70,000	70,000	49,000	35,000	37,000
Due to ERS/PFRS	23,656	24,389	25,363	27,305	22,481
Unearned Revenues	9,299	290	1,575	18,094	100,135
Total Liabilities	$131,874	$208,991	$95,071	$135,853	$213,940
Fund Balances:					
Nonspendable	$0	$0	$450	$55,364	$62,614
Restricted	361,829	361,829	136,464	167,078	156,364
Assigned	282,000	280,161	263,511	351,037	443,386
Unassigned	230,698	101,264	455,748	583,175	708,853
Total Fund Balances	$874,527	$743,254	$856,173	$1,156,654	$1,371,217
Total Liabilities & Fund Balances	$1,006,401	$952,245	$951,244	$1,292,507	$1,585,157

Source: Audited Financial Reports of the Village.

Note: This table is NOT audited.

Balance Sheet
Sewer Fund - Village of Groton

	Fiscal Year Ending May 31:				
	2018	2019	2020	2021	2022
Assets:					
Cash & Cash Equivalents - Unrestricted	$10,817	$276	$2,282	$9,587	$11,096
Cash & Cash Equivalents - Restricted	40,252	40,252	33,113	38,195	42,513
Other Receivables (Net)	44,654	60,616	58,433	51,146	51,757
Prepaid Expenses	0	0	150	4,322	3,770
Total Assets	$95,723	$101,144	$93,978	$103,250	$109,136
Liabilities:					
Accounts Payable	$10,252	$5,271	$6,999	$24,156	$18,607
Accrued Liabilities	3,113	4,077	1,938	2,773	3,716
Total Liabilities	$13,365	$9,348	$8,937	$26,929	$22,323
Fund Balances:					
Nonspendable	$0	$0	$150	$4,322	$3,770
Restricted	40,252	40,252	33,113	38,195	42,513
Assigned	42,106	51,544	51,778	33,804	40,530
Total Fund Balances	$82,358	$91,796	$85,041	$76,321	$86,813
Total Liabilities & Fund Balances	$95,723	$101,144	$93,978	$103,250	$109,136

Source: Audited Financial Reports of the Village.

Note: This table is NOT audited.

Budget Summaries
Combined Funds - Village of Groton
Fiscal Year Ending May 31, 2023

Revenues:	General	Sewer
Real Property Taxes	$880,923	$0
Real Property Tax Items	5,500	0
Non-Property Tax Items	589,000	0
Departmental Income	405,620	364,300
Intergovernmental Charges	64,408	0
Use of Money & Property	13,500	4,090
Licenses & Permits	8,810	0
Fines & Forfeitures	1,000	0
Sale of Property & Comp. for Loss	3,000	0
Miscellaneous Local Sources	19,658	0
State Aid	154,300	0
Federal Aid	114,102	0
Appropriated Fund Balance	443,386	3,033
Total Revenues	$2,703,207	$371,423
Expenditures:		
General Government Support	$391,445	$7,500
Public Safety	457,400	0
Health	397,380	0
Transportation	434,280	0
Economic Assist. & Opportunity	10,200	0
Culture & Recreation	184,143	0
Home & Community Services	99,120	269,595
Employee Benefits	328,751	48,804
Debt Service	298,488	37,524
Interfund Transfers	102,000	8,000
Total Expenditures	$2,703,207	$371,423

Source: Adopted Budget of the Village.

Note: This table is NOT audited.

Budget Summaries
Combined Funds - Village of Groton
Fiscal Year Ending May 31, 2024

Revenues:	General	Sewer
Real Property Taxes	$900,582	$0
Real Property Tax Items	10,200	0
Non-Property Tax Items	539,000	0
Departmental Income	538,060	432,307
Intergovernmental Charges	65,355	0
Use of Money & Property	17,000	3,560
Licenses & Permits	9,110	0
Fines & Forfeitures	1,000	0
Sale of Property & Comp. for Loss	3,000	0
Miscellaneous Local Sources	20,858	0
State Aid	164,913	0
Federal Aid	100,000	0
Appropriated Fund Balance	347,295	0
Total Revenues	$2,716,373	$435,867
Expenditures:		
General Government Support	$435,403	$7,000
Public Safety	544,600	0
Health	447,500	0
Transportation	474,752	0
Economic Assist. & Opportunity	10,200	0
Culture & Recreation	222,917	0
Home & Community Services	92,700	377,328
Employee Benefits	347,426	17,500
Debt Service	18,875	29,039
Interfund Transfers	122,000	5,000
Total Expenditures	$2,716,373	$435,867

Source: Adopted Budget of the Village.

Note: This table is NOT audited.

APPENDIX B

VILLGE OF GROTON
TOMPKINS COUNTY, NEW YORK

AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED MAY 31, 2022

NOTE: SUCH FINANCIAL REPORT AND OPINIONS WERE PREPARED AS OF THE DATE THEREOF AND HAVE NOT BEEN REVIEWED AND/OR UPDATED BY THE VILLAGE'S AUDITORS IN CONNECTION WITH THE PREPARATION AND DISSEMINATION OF THIS OFFICIAL STATEMENT. CONSENT OF THE AUDITORS FOR INCLUSION OF THE AUDITED FINANCIAL REPORTS IN THIS OFFICIAL STATEMENT HAS NEITHER BEEN REQUESTED NOR OBTAINED.

APPENDIX C

FORM OF BOND COUNSEL'S LEGAL OPINION

September 20, 2023

Village of Groton,
County of Tompkins,
State of New York

Re: Village of Groton, Tompkins County, New York
$4,200,000 Bond Anticipation Notes, 2023

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of $4,200,000 Bond Anticipation Notes, 2023 (the "Obligations"), of the Village of Groton, County of Tompkins, State of New York (the "Obligor") dated September 20, 2023, numbered ____, of the denomination of $______________, bearing interest at the rate of __.__ __% per annum, payable at maturity and maturing September 19, 2024.

Ladies and Gentlemen:

We have examined:

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

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

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

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

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

In our opinion:

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

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

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

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

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

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

Very truly yours,

Orrick, Herrington & Sutcliffe LLP