

PRELIMINARY OFFICIAL STATEMENT

NEW & RENEWAL ISSUES

BONDS AND BOND ANTICIPATION NOTES

S&P GLOBAL BOND RATING: "A+" STABLE OUTLOOK

See "RATINGS" herein

In the opinion of Rodenhausen Chale & Polidoro LLP, Rhinebeck, New York, Bond Counsel to the City, under existing statutes and court decisions, and assuming continuing compliance with certain tax certifications referred to herein, interest on the Bonds and Notes is not included in gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and such interest will not be treated as a preference item in calculating the Federal alternative minimum tax that may be imposed on individuals under the Code; however, interest on the Notes and Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. It is also the opinion of Bond Counsel that interest on the Bonds and Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). See "TAX MATTERS" herein.

The Bonds and Notes will NOT be designated as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.

\$11,362,860

CITY of HUDSON

COLUMBIA COUNTY, NEW YORK

CUSIP BASE #: 444060

GENERAL OBLIGATIONS

\$3,840,463 Public Improvement (Serial) Bonds, Series 2024

(the "Bonds")

Dated: June 20, 2024

Due: June 15, 2025-2044

MATURITIES*

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CSP</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CSP</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CSP</u>
2025	\$ 55,463	%	%		2032	\$175,000	%	%		2039	\$230,000**	%	%	
2026	135,000				2033	180,000**				2040	235,000**			
2027	140,000				2034	185,000**				2041	245,000**			
2028	150,000				2035	195,000**				2042	255,000**			
2029	155,000				2036	205,000**				2043	265,000**			
2030	160,000				2037	210,000**				2044	280,000**			
2031	165,000				2038	220,000**								

*Subject to change pursuant to the accompanying Notice of Private Competitive Bond Sale in order to achieve substantially level or declining annual debt service.

**The Bonds maturing in the years 2033 through 2044 inclusive are subject to redemption prior to maturity as described herein under the heading "THE BONDS – Optional Redemption" herein.

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\$7,522,397 Bond Anticipation Notes, Series 2024

(the "Notes")

(the Notes together with the Bonds referred to herein as the "Bonds and Notes")

Dated: June 20, 2024

Due: June 20, 2025

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

The Bonds will be issued as registered bonds and, may, at the option of the purchaser be registered in the name of the purchaser or in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, which, if so elected by the purchaser, will act as securities depository for the Bonds. If the Bonds are issued in book-entry-only form, individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof except for a necessary odd denomination maturing in 2025. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable semi-annually on June 15 and December 15 in each year until maturity commencing June 15, 2025. Principal and interest will be paid by the City to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein.

Proposals for the Bonds shall be for not less than \$3,840,463 and accrued interest, if any, on the total principal amount of the Bonds. If the Bonds are registered to the purchaser, any paying agent fees will be the responsibility of such purchaser. A good faith deposit will not be required.

At the option of the successful bidder(s), the Notes will be issued registered in the name of the purchaser in the denominations of \$5,000 or multiples thereof except for a necessary odd denomination. Paying agent fees will be the responsibility of such purchaser.

Alternatively, at the option of the successful bidder(s), 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. In such case, Noteholders will not receive certificates representing their ownership interest in the notes purchased. Under this option, 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 the DTC, subject to any statutory and regulatory requirements as may be in effect from time to time. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Notes will not be subject to redemption prior to maturity. The Bonds will be subject to redemption on or after June 15, 2032 as provided herein.

The Bonds and Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the approving legal opinion as to the validity of the Bonds and Notes of Rodenhausen Chale & Polidoro LLP, Rhinebeck, New York, Bond Counsel. It is anticipated that the Bonds and Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or at such place as may be agreed upon with the purchaser(s), on or about June 20, 2024.

ELECTRONIC BIDS for the Bonds and Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on June 11, 2023 until 11:30 A.M., Prevailing Time, pursuant to the Notices of Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the City, each bid will constitute an irrevocable offer to purchase the Bonds and Notes pursuant to the terms provided in the respective Notices of Sale.

June 6, 2024

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

CITY OF HUDSON, NEW YORK

CITY OFFICIALS

KAMAL JOHNSON

Mayor

BOARD OF ALDERPERSONS

TOM DEPIETRO

Common Council President

FIRST WARD

ART FRICK
MARGARET MORRIS

SECOND WARD

DEWAN SAROWAR
MOHAMED RONY

THIRD WARD

AMBER HARRIS
RYAN WALLACE



FOURTH WARD

MALACHI WALKER
THEODORE ANTHONY

FIFTH WARD

VICKY DASKALOUDI
DOMINIC MERANTE

* * * * *

HEATHER S. CAMPBELL

City Treasurer & Chief Fiscal Officer

TRACY S. DELANEY

City Clerk

ANDREW HOWARD

Corporation Counsel

MUNICIPAL ADVISOR



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BOND COUNSEL

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Rhinebeck, New York 12572

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

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PREPARED WITH THE ASSISTANCE OF



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**PRELIMINARY OFFICIAL STATEMENT
OF THE
CITY of HUDSON
COLUMBIA COUNTY, NEW YORK**

**RELATING TO
\$3,840,463 Public Improvement (Serial) Bonds, Series 2024
&
\$7,522,397 Bond Anticipation Notes, Series 2024**

This Official Statement, which includes the cover page and appendices, has been prepared by the City of Hudson, Columbia County, New York (the “City”, “County” and “State”, respectively) in connection with the sale by the City of Hudson \$3,840,463 principal amount of Public Improvement (Serial) Bonds, 2024 (the “Bonds”) and \$7,522,397 principal amount of Bond Anticipation Notes, Series 2024 (the “Notes” and collectively with the Bonds, the “Bonds and Notes”).

The factors affecting the City’s financial condition and the Bonds and Notes are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the City’s tax base, revenues, and expenditures, this Official Statement should be read in its entirety. No one factor should be considered more or less important than any other by reason of its relative position in this Official Statement.

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

THE BONDS

Description of the Bonds

The Bonds are general obligations of the City, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the City is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to applicable statutory limits imposed by Chapter 97 of the Laws of 2011 of the State of New York, as amended. See “TAX LEVY LIMITATION LAW” herein.

The Bonds will be dated June 20, 2024 and will mature in the principal amounts and on the dates as set forth on the cover page. The Bonds are subject to redemption prior to maturity as described herein under the heading "Optional Redemption." The “Record Date” of the Bonds will be the last business day of the calendar month preceding each such interest payment date.

Interest on the Bonds will be payable semi-annually on June 15 and December 15 in each year until maturity commencing June 15, 2025. Interest on the Bonds will be calculated on a 30-day month and 360-day year basis.

The Bonds will be issued as registered bonds and may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which, if so elected by the purchaser, will act as securities depository for the Bonds. If the Bonds are issued in book-entry form, individual purchases will be in the principal amount of \$5,000 or integral multiples thereof, except for a necessary odd denomination maturing in 2025. Purchasers will not receive certificates representing their ownership interest in the Bonds. Principal and interest will be paid by the City to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds. See “BOOK-ENTRY-ONLY SYSTEM” herein. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of \$5,000 or any integral multiple thereof except for a necessary odd denomination maturing in 2025 and the City will act as paying agent. The Bonds may not be converted into coupon bonds or be registered to bearer.

Optional Redemption

The Bonds maturing on or before June 15, 2032 shall not be subject to redemption prior to maturity. The Bonds maturing on or after June 15, 2033 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the City on June 15, 2032 or on any date thereafter at par (100.0%), plus accrued interest to the date of redemption.

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

Purposes of Issue

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the General City Law, the Local Finance Law and City bond resolutions for the purposes displayed below.

<u>PROJECT</u>	<u>Authorization Date</u>	2023		2024
		<u>BAN Amount</u>	<u>Paydowns</u>	<u>Bond Amount</u>
CSO/Front Street	4/19/2022	\$ 1,299,241	\$ 811,617	\$ 487,624
NYPA Street Lighting Project	12/21/21 & 5/16/23	-	-	1,852,839
Union Street Sewer Line	4/16/2024			1,500,000
		\$ 1,299,241	\$ 811,617	\$ 3,840,463

THE NOTES

Description of the Notes

The Notes are general obligations of the City, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the City is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limits imposed by Chapter 97 of the Laws of 2011 of the State of New York, as amended. See "TAX LEVY LIMITATION LAW" herein.

The Notes are dated June 20, 2024 and will mature, without option of prior redemption, on June 20, 2025. Interest on the Notes will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in registered form and at the option of the Purchaser(s) either (i) registered in the name of the purchaser, in denominations of \$5,000 or integral multiples thereof except for a necessary odd denomination, or (ii) registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC") which will act as the securities depository for the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein. If the Notes are registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds at maturity at such bank(s) or trust company(ies) located and authorized to do business in the State of New York as may be selected by the successful bidder(s), at their expense.

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Purposes of Issue

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the General City Law, the Local Finance Law and City bond resolutions.

<u>PROJECT</u>	<u>Authorization Date</u>	2023		2024
		<u>BAN Amount</u>	<u>Paydowns</u>	<u>Bond Amount</u>
DRI/Hudson-Connectivity Imp.	4/19/2022	\$ 2,832,397	\$ 260,000	\$ 2,572,397
Ferry Street Bridge	4/19/2022	-	-	4,950,000
		\$ 2,832,397	\$ 260,000	\$ 7,522,397

NATURE OF OBLIGATION

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

Owners of any series of notes or bonds of the City may bring an action or commence a proceeding in accordance with the Civil Practice Law and Rules to enforce the rights of the owners of such series of notes or bonds.

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

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). Chapter 97 of the Laws of 2011, as amended by Chapter 20 of the Laws of 2015, as amended by Chapter 59 of the Laws of 2019 (as amended, 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 City is required to pledge its full faith and credit for the payment of the principal of and interest on the Bonds and Notes and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the City's power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See "TAX LEVY LIMITATION LAW" herein.

BOOK-ENTRY-ONLY SYSTEM

DTC will act as securities depository for the Bonds and the Notes. The Bonds and the Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of each series of the Bonds. A fully-registered note certificate will be issued for each Note bearing the same rate of interest and CUSIP number, 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 110 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, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

To facilitate subsequent transfers, all Bonds and 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 Bonds and Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds and Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds and 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.

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

Principal and interest payments on the Bonds and 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 in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment, principal and interest to DTC is the responsibility of the City, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

Source: The Depository Trust Company.

THE CITY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS AND NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS AND NOTES (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS AND NOTES OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS AND 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 THIS OFFICIAL STATEMENT.

THE CITY 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 OR ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS AND 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 BONDS AND NOTES.

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

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law, or the City may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply. The Bonds will be issued in fully registered form in denominations of \$5,000 or multiples thereafter, except for one odd denomination maturing in 2025. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the City upon termination of the book-entry-only system. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the last business day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Certificate of Determination of the City Treasurer of the City authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the last business day of the calendar month preceding an interest payment date and such interest payment date.

Certificated Notes

DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law, or the City 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, the following provisions will apply: The Notes will be issued in fully registered form in denominations of \$5,000 and multiples thereafter except for one necessary odd denomination. Interest on the Notes will remain payable at maturity. Principal of and interest on the Notes will be payable at a bank or trust company located and authorized to do business in the State as fiscal agent to be named by the City.

THE CITY

General Information

The City is located on the west border of Columbia County (the "County") with a land area of 2.2 square miles and an estimated population of 5,790 as of 2022.

The Capital District Region is approximately 30 miles to the north of the City. Residents find employment within the City or County or commute to governmental professional and business occupations in the New York City and Capital District Region. The two major employment industries within the County include Health Care and Social Assistance (43.7%) and Public Administration & Education (35.3%).

Source: City officials.

Major Employers

Many City residents find employment within the County. The five major employers located within the County include the following:

<u>Business</u>	<u>Service or Product</u>	<u>Employees</u>
Columbia Memorial Hospital	Healthcare Facility	1,400
Columbia County	Municipal Government	1,049
Hudson City School District	Public Education	600
Taconic Farms, Inc.	Animal Specialist	550
Berkshire Farm Center	Educational Program	548

Source: Columbia Economic Development Corporation and County of Columbia Annual Financial Information and Operating Data.

Population Trends

	<u>City of Hudson</u>	<u>Columbia County</u>	<u>New York State</u>
1990	8,034	62,982	17,990,455
2000	7,524	63,094	18,976,457
2010	6,713	63,096	19,378,102
2020	5,894	61,570	20,201,249
2022	5,790	60,470	19,571,216

Source: U.S. Bureau of the Census.

Wealth and Income Indicators

Per capita income statistics are available for the City, County and State. Listed below are select figures from the U.S. Census Bureau 2006-2010 census report, and 2016-2020 and 2018-2022 American Community Survey 5-Year Estimates.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2006-2010</u>	<u>2016-2020</u>	<u>2018-2022</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2018-2022</u>
City of:						
Hudson	\$ 24,628	\$ 24,341	\$ 37,941	\$ 56,591	\$ 45,962	\$ 46,989
County of:						
Columbia	31,844	40,475	49,093	69,132	84,096	100,188
State of:						
New York	30,948	40,898	47,173	67,405	87,270	100,846

Note: 2019-2023 American Community Survey estimates are not available as of the date of this Official Statement.

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Unemployment Rate Statistics

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

Annual Average

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Hudson NY, MSA	3.8%	3.3%	3.2%	6.2	3.8%	2.7%	3.0%
Columbia County	3.8	3.3	3.2	6.2	3.8	2.7	3.0
New York State	4.7	4.1	4.0	10.0	6.9	4.3	4.2

2024 Monthly Figures

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>
Hudson NY, MSA	3.6%	3.8%	3.6%	N/A	N/A
Columbia County	3.6	3.8	3.6	N/A	N/A
New York State	4.3	4.5	4.2	3.9	N/A

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

Note: Certain unemployment rates for May and June of 2024 are not available as of the date of this Official Statement.

Economic Development

- The City has an established Local Development Corporation: the Hudson Development Corporation housed in a fully renovated historic Hudson Firehouse, with its co-tenants, the Columbia County Chamber of Commerce.
- In 2012, the City approved its Local Waterfront Development Plan with its principal provision being a comprehensive rezoning of two-thirds of the City that focuses on a balance of commercial shipping and tourism related areas on the Hudson waterfront.
- Minutes from the Amtrak station, a 300,000 square foot former manufacturing building was converted to a facility, The Warehouse, to house small businesses with ten commercial enterprises now housed there, including a brewery, digital fabrication shop, and multiple antique outlets.
- In 2015, the thirty-year old Harney and Son Fine Tea Company of Millerton, NY purchased a 65,000 square foot building on North 2nd Street from which it produces and distributes its products. The company employs 200 employees across all locations.
- The City is home to the Columbia Memorial Hospital, which serves all of Columbia and Greene Counties.
- In 2016, the Galvan Initiatives Foundation rehabilitated the historic Armory as the new home for the Hudson Library Association.
- The retail sector of the City, for thirty years an antiques and home furnishing mecca, recently estimated its annual sales and inventory value at \$40 Million.
- The City has become a tourist destination of note with the recent renovations of three boutique hotels, the 20-room Rivertown Lodge and the 17-room Barlow, and the 55-room Wick Hotel, located in a historic tallow candle and soap manufacturer. In 2018, the Maker Lounge, housed on a 19th century carriage house, and the Maker Café, on a prominent block of Warren Street, opened, followed by the Maker in 2019. This is in addition to nearly 90 hotel and bed and breakfast rooms, approximately 200 short-term lodging providers, and twelve fine dining restaurants in the City.

- The residential and commercial real estate market has grown significantly in recent years. The number of sales and mean price are displayed below.

Year	Number of Sales	Mean Price
2015	92	\$286,000
2016	66	379,000
2017	94	366,000
2018	102	372,082
2019	113	399,671
2020	45	436,976
2021	92	488,839
2022	48	594,740
2023	51	530,043

Note: The 2023 figures are the most recent available as of the date of this Official Statement.

- In 2017, downtown Hudson was selected as the Capital region winner of the \$10 million NYS Downtown Revitalization Initiative. The intent of the DRI is to advance downtown revitalization through transformative housing, economic development, transportation and community projects that will attract and retain residents, visitors and businesses.
- In 2019, River House, an impeccably restored historic schoolhouse one block from the Amtrak station, opened its doors with the goal of creating a film, media, design and innovation hub in Hudson by offering creative studio spaces and common co-working spaces for Filmmakers, Architects, Publishers, Designers, Producers, Photographers, Tech Designers, and all creatives.
- There has been an increase in applications to the Hudson Industrial Development Agency, representing new businesses interested in locating in Hudson. Recently approved PILOTs (payments in lieu of taxes) issued by HIDA include 620 Union Street, a proposed \$14.3 million hotel, restaurant and bar; 708 State Street, a proposed \$16.1 mixed-income housing development; 549 Washington Avenue, a proposed \$25.6 million hotel, restaurant, wellness center, and offices; and SEC 7, food manufacturing and SEC 7's expansion is substantially complete. The remaining projects are dependent on their owners and other funding sources.

Source: City officials.

Elected and Appointed Officials

Elected Officials

The City of Hudson is governed by the following elected officials: the Mayor, the Common Council President and 10 alderpersons who compose the Common Council. Each is elected to a two-year term. The City also elects a City Treasurer, City Judge and 5 ward Supervisors who are the City's representatives on the Board of Supervisors of Columbia County.

It is the responsibility of the Common Council to approve all legislation, including ordinances and local laws, to adopt and modify, as required, operating and capital budgets, to levy real property taxes and to authorize the issuance of all indebtedness.

The Mayor is elected at a general election for a two-year term and there is no restriction on the number of terms that may be served. The Mayor is the Chief Executive Officer of the City.

The City Treasurer is the Chief Fiscal Officer, and is responsible for the receiving and collecting of funds. It is the responsibility of the City Treasurer to disburse and account for all financial transactions.

The Treasurer's office is responsible for accounting for all revenues and disbursements of the City, for the administration of employee payrolls, for custody and investment of all City funds, supervision of city tax billing, city and county tax and revenue collections, delinquent school tax billing and collection, administration of tax lien sales, registration and collection of the city's lodging tax, management of bank accounts, the preparation and monitoring of the annual operating budget, and state and local financial reporting.

Appointed Officials

The Mayor appoints the Assessor for six years, City Clerk for four years, and members of the Planning Commission for three years. The Mayor appoints the following officers to serve at his pleasure: Commissioner of Public Works, Commissioner of Police, Commissioner of Fire, Commissioner of Senior Services, and Commissioner of Grants. The Mayor is also authorized to appoint a Commissioner of Purchases and a Harbor Master. The Mayor appoints an Assessment Board of Review and the members of each board and commission authorized by the City Charter. The Mayor may also, in his discretion, appoint a City Marshal and such legal counsel as he may deem necessary.

The Common Council designates Commissioners of Deeds as provided by law.

The Commissioner of Public Works appoints the following to serve at his pleasure: Superintendent of Public Works, Superintendent of Cemeteries.

The Commissioner of Youth appoints the following to serve at his pleasure: Director of Youth

The Mayor appoints the following from the civil service list: Code Enforcement Officer, Building Inspector.

Budgetary Procedures

The Board of Estimate and Apportionment (BEA) is comprised of the Mayor, City Treasurer and President of the Common Council. The BEA, with input from department heads, prepares a proposed budget each year and a public hearing is held thereon pursuant to State Law. Subsequent to the public hearing, revisions, if any, are made and the budget is then adopted by the Common Council. The budget is not subject to referendum.

The City has not voted to exceed its tax cap since 2012.

The budget for the 2023 fiscal year was adopted on November 17, 2022.

The budget for the 2024 fiscal year was adopted on November 21, 2023.

Investment Policy

Pursuant to Section 39 of the State's General Municipal Law and the City Charter, the City has an investment policy applicable to the investment of all moneys and financial resources of the City. The responsibility for the investment program has been delegated by the Common Council to the Chief Financial Officer who was required to establish written operating procedures consistent with the City's investment policy guidelines. According to the investment policy of the City, all investments must conform to the applicable requirements of law and provide for: the safety of the principal; sufficient liquidity; and a reasonable rate of return.

Authorized Investments. The Common Council annually designates the banks or trust companies located and authorized to conduct business in the State to receive deposits of money in accordance with the City Charter. The City is permitted to invest in special time deposits or certificates of deposit.

In addition to bank deposits, the City is permitted to invest moneys in direct obligations of the United States of America, obligations guaranteed by agencies of the United States where the payment of principal and interest are further guaranteed by the United States of America, and obligations of the State, unless otherwise provided by law. All purchased obligations, unless registered or inscribed in the name of the City, must be purchased through, delivered to and held in the custody of a bank or trust company located and authorized to conduct business in the State.

Collateral Requirements. All City deposits in excess of the applicable insurance coverage provide by the Federal Deposit Insurance Act must be secured in accordance with the provisions of and subject to the limitations of Section 10 of the General Municipal Law of the State. Such collateral must consist of the "eligible securities" with an aggregate "market value" equal to the aggregate amount of deposits.

Eligible securities include (i) obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United States government sponsored corporation, and (ii) obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district, or district corporation of such State or obligation of any public benefit corporation which under a specific State statute may be accepted as security for deposit of public moneys. Eligible securities pledged to secure deposits must be held by the depository or third party bank or trust company pursuant to written security and custodial agreements. Securities not registered or inscribed in the name of the City must be delivered, in a form suitable for transfer or with an assignment in blank, to the City or its designated custodial bank. The custodial agreements used by the City provide that pledged securities must be kept separate and apart from the general assets of the custodian and will not, under any circumstances, be commingled with or become part of the backing for any other deposit or liability.

State Aid

The City's actual State aid revenues for the years 2018 through 2022, the 2023 unaudited amounts, and the 2024 budgeted amounts, are listed below:

<u>Fiscal Year</u>	<u>State Aid Revenues</u> ⁽¹⁾	<u>Total Revenues</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2018	1,757,415	10,848,676	16.20
2019	2,192,829	11,896,895	18.43
2020	1,800,279	10,958,213	16.54
2021	2,516,700	12,943,309	19.44
2022	2,014,406	13,326,128	15.12
2023 (Unaudited)	2,169,898	14,068,245	20.49
2024 (Budgeted)	2,882,651	14,721,127	19.58

⁽¹⁾ General fund only.

Source: City officials.

The State is not constitutionally obligated to maintain or continue State aid to the City. No assurance can be given that present State aid levels will be maintained this year or in the future. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the City requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. Delays in State aid due to delays in state budget approval and/or delays or difficulties in State financing could adversely affect the City's revenues. (See also "MARKET AND RISK FACTORS").

Source: City officials.

Employees

The City currently has a total of 134 employees including 85 full-time and elected and 49 part-time employees. Employees are represented by collective bargaining agents as summarized below:

<u>Bargaining Unit</u>	<u>Number Represented</u>	<u>Contract Expiration Date</u>
CSEA	38	December 31, 2025
POLICE	26 ⁽¹⁾	December 31, 2026
CWA (Youth Department FT & PT)	3	December 31, 2027
Part-Time	46 ⁽²⁾	Nonunionized
Per Diem	0	Nonunionized
Elected	13 ⁽³⁾	Nonunionized
Appointed/Other Full-Time	10 ⁽⁴⁾	Nonunionized
Appointed Part-Time	7 ⁽⁵⁾	Nonunionized

⁽¹⁾ 22 officers and 4 dispatchers.

⁽²⁾ Within DPW/Cemetery, Parking Enforcement, and Code Enforcement.

⁽³⁾ Mayor, Common Council President, City Treasurer and 10 Council Members.

⁽⁴⁾ DPW Superintendent, Code Enforcement Officer, City Clerk, Police Chief, Mayor's Aide, Housing Director, Youth Director, Asst Youth Director, and Youth Janitor

⁽⁵⁾ City Attorney, Assessor, and Commissioners of DPW, Youth, Senior, Police and Fire.

Source: City officials.

Pension Payments

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

The ERS is non-contributory with respect to members hired prior to July 27, 1976 (Tier 1 & 2); members hired from July 27, 1976 through December 31, 2009 (Tier 3 & 4) contribute 3% for the first 10 years of service and then become non-contributory; members hired from January 1, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3 and 6 percent for their entire careers based on their annual wage.

The PFRS is non-contributory with respect to members hired prior to January 8, 2010 (Tier 1, 2 & 3); members hired from January 9, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3 and 6 percent for their entire careers based on their annual wage.

For both ERS & PFRS, Tier 5 provides for:

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62
- Requiring employees to continue contributing 3% of their salaries toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw pension from 5 years to 10 years.
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at \$15,000 per year, and for police & firefighters at 15% of non-overtime wages.

For both ERS & PFRS, Tier 6 provides for:

- Increase contribution rates of between 3% and 6% base on annual wage
- Increase in the retirement age from 62 years to 63 years
- A readjustment of the pension multiplier
- A change in the period for final average salary calculation from 3 years to 5 years

The City's payments to the Retirement System since the 2018 fiscal year, the unaudited amounts for the 2023 fiscal year, and the budgeted amounts for the 2024 fiscal years are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>PFRS</u>
2018	305,892	466,892
2019	293,847	483,575
2020	303,500	510,270
2021	374,152	612,623
2022	310,462	609,143
2023 (Unaudited)	324,308	646,356
2024 (Budgeted)	407,675	745,213

Source: City officials.

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

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

A chart of average ERS and PFRS rates (2021 to 2025) is shown below:

<u>Year</u>	<u>ERS</u>	<u>PFRS</u>
2021	14.6%	24.4%
2022	16.2	28.3
2023	11.6	27.0
2024	13.1	27.8
2025	15.2	31.2

Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program that establishes a minimum contribution for any employer equal to 4.5% of pensionable salaries for required contributions due December 15, 2003 and for all years thereafter where the actual rate would otherwise be 4.5% or less. In addition, it instituted a billing system that will advise employers over one year in advance concerning actual pension contribution rates.

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

Stable Rate Pension Contribution Option: The 2013-14 Adopted State Budget included a provision that authorized local governments, including the City, with the option to "lock-in" long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS and PFRS. For 2014 and 2015 the rate is 12.0% for ERS and 20% for PFRS; the rates applicable to 2016 and thereafter are subject to adjustment. The pension contribution rates under this program would reduce near-term payments for employers, but require higher than normal contributions in later years.

The City is not amortizing or smoothing any pension payments nor does it intend to do so in the foreseeable future.

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

Other Post-Employment Benefits

Healthcare Benefits. The City provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. There is now an accounting rule that will require governmental entities, such as the City, to account for post-retirement healthcare benefits as it accounts for vested pension benefits. GASB Statement No. 45 ("GASB 45") of the Governmental Accounting Standards Board ("GASB"), described below, requires such accounting.

OPEB. Other Post-Employment Benefits (“OPEB”) refers to "other post-employment benefits," meaning other than pension benefits, disability benefits and OPEB consist primarily of health care benefits and may include other benefits such as disability benefits and life insurance. Until now, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements.

GASB 75. GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for the year ending December 31, 2018. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans.

The City has not contracted with an actuary to calculate its OPEB liability and did not contract with a firm to complete its actuarial valuation of its OPEB liability in accordance with GASB 75. The City pays a variable percentage of the cost of premiums to various insurance companies and records these expenditures in the year in which they are paid. The City does not record the other post-employment benefit liability related to these benefits. This is a departure from generally accepted accounting principles. There is no authority in current State law to establish a trust account or reserve fund for this liability. The City has reserved \$0 towards its OPEB liability. The City funds this liability on a pay-as-you-go basis.

Other Information

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

No principal or interest upon any obligation of the City is past due.

The fiscal year of the City is the calendar year.

Except for as shown under “STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness”, this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the City. Such entities include the City of Hudson City School District and the County of Columbia.

Financial Statements

The City retains independent certified public accountants. The financial affairs of the City are also subject to periodic compliance audits by the State Comptroller. The audit for the fiscal year ending December 31, 2023 is in progress and will be filed with the Electronic Municipal Market Access (“EMMA”) Website upon completion. The City’s audit for the fiscal year ending December 31, 2022 is available and has been filed the EMMA website. The City’s 2022 audit includes an adverse opinion, because, according to the audit, management has not recorded other post-employment benefits (OPEB), capital assets and general infrastructure assets in governmental activities and, accordingly, has not recorded postemployment benefits or depreciation expense. The Annual Financial Report (“AFR”) for fiscal year ending December 31, 2023, which is not prepared in accordance with GAAP and is not audited, is incorporated herein as “APPENDIX-E”. Certain financial information may be found in the Appendices to this Official Statement.

The City complies with the Uniform System of Accounts as prescribed for cities in New York State by the Office of the State Comptroller. Except for the accounting for fixed assets, this System conforms to generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants’ Industry Audit Guide, “Audits of State and Local Governmental Units,” and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB).

Beginning with the fiscal year ending December 31, 2003 the City was required to issue its financial statements in accordance with GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as a Management’s Discussion and Analysis. The City has not implemented GASB Statement No. 34 in its entirety and implementation of this standard is not a New York State Comptroller’s office requirement.

New York State Comptroller Report of Examination

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

The State Comptroller’s office released an audit report of the City on March 13, 2020. The purpose of the audit was to Determine whether City officials ensured employees’ salaries and the amounts withheld for benefits were accurate and leave accrual records were properly maintained and recorded for the period January 1, 2018 through July 31, 2019.

Key Findings:

- City officials did not segregate the duties of the clerks inputting payroll or implement compensating controls.
- The Council did not adopt policies that address how compensatory (comp) time will be authorized, earned and used.
- City officials did not have a process to verify accrual balances prior to approving the use of leave accruals.

Key Recommendations:

- Ensure compensating controls are implemented to address the lack of segregation of duties within the payroll process.
- Adopt policies and procedures that address how comp time will be earned and used.
- Develop a process to verify leave balances prior to approving leave slips and periodically review leave records for accuracy.

The City provided a complete response to the State Comptroller’s office on March 4, 2020. A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

There are no other State Comptrollers audits of the City that are currently in progress or pending release.

Note: Reference to website implies no warranty of accuracy of information therein.

The State Comptroller’s Fiscal Stress Monitoring System

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

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

The reports of the State Comptroller for the past five fiscal years classified the City as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2018	No Designation	6.7
2019	No Designation	6.7
2020	No Designation	6.7
2021	No Designation	6.7
2022	No Designation	6.7

Source: Website of the Office of the New York State Comptroller.

Note: Reference to website implies no warranty of accuracy of information therein.

TAX INFORMATION

Valuations

<u>Fiscal Year Ending December 31:</u>	<u>2020</u>		<u>2021</u>		<u>2022</u>		<u>2023</u>		<u>2024</u>
Assessed Valuations	\$ 718,291,503	\$	711,945,896	\$	728,836,263	\$	734,906,357	\$	744,313,569
New York State									
Equalization Rate	100.00% ⁽¹⁾		100.00%		95.00%		85.00%		78.00%
Total Taxable Full Valuation	\$ 718,291,503	\$	711,945,896	\$	767,196,066	\$	864,595,714	\$	954,248,165

⁽¹⁾ Significant change due to revaluation.

Tax Rate Per \$1,000 (Assessed)

<u>Fiscal Year Ending December 31:</u>	<u>2020</u>		<u>2021</u>		<u>2022</u>		<u>2023</u>		<u>2024</u>
	\$ 7.59 ⁽¹⁾		\$ 7.66		\$ 7.48		\$ 7.42		\$ 7.59

⁽¹⁾ Significant change due to revaluation.

Uncollected City Property Taxes

<u>Fiscal Year Ending December 31:</u>	<u>2020</u>		<u>2021</u>		<u>2022</u>		<u>2023</u>		<u>2024</u>
Total City Tax Levy	\$ 5,452,273	\$	5,452,273	\$	5,452,273	\$	5,452,273	\$	5,633,545
Uncollected End of Year ⁽¹⁾	301,123		475,056		427,563		236,531		N/A
% Uncollected End of Year	5.52%		8.71%		7.84%		4.34%		N/A

⁽¹⁾ See “Tax Collection Procedure” herein.

Uncollected Taxes (City, County, Water/Sewer, Prorates & Delinquent School)

<u>Fiscal Year Ending December 31:</u>	<u>2020</u>		<u>2021</u>		<u>2022</u>		<u>2023</u>		<u>2024</u>
Total Levied Taxes + Del. School	\$ 9,454,276	\$	9,318,814	\$	9,322,937	\$	9,030,440	\$	9,190,604
Uncollected End of Year	570,404		528,951		520,232		475,937		N/A
% Uncollected End of Year	6.03%		5.68%		5.58%		5.27%		N/A

Tax Collection Procedure

City real property taxes are levied annually on January 1st and are payable in four equal installments on January 1st, April 1st, July 1st and September 1st. Taxes are collected without penalty or interest for a period of 30 calendar days for the first and third installments and for 15 calendar days for the second and fourth installments. Taxes for County purposes apportioned to the area within the City are levied together with taxes for the City and payable per the City Charter in two equal installments due January 1st and July 1st and are collected without penalty or interest for 30 calendar days. Penalties for Late Payments are 1 percent per month. The City assumes enforcement responsibility for all taxes levied in the City.

Unpaid City school district taxes are turned over to the City for collection. The City receives payment on these unpaid school taxes until foreclosure.

Constitutional Tax Margin

The City derives its power to levy an ad valorem real property tax from the Constitution of the State, subject to applicable statutory limitations. The City’s property tax levying powers, other than for debt service and certain other purposes, are limited by the State Constitution to two percent of the five year average full valuation of taxable real property of the City, subject to certain exclusions. See also “TAX LEVY LIMITATION LAW” herein.

Computation of Constitutional Tax Margin for fiscal years ending December 31st:

<u>Fiscal Year Ending December 31:</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Five Year Average Full Valuation.....	\$803,255,469	\$718,122,447	\$640,870,083
Tax Limit - 2% Five Year Average.....	\$16,065,109	\$14,362,449	\$12,817,402
Add: Exclusions from Tax Limit.....	\$1,200,300	\$1,062,369	\$845,893
Total Taxing Power.....	\$17,265,409	\$15,424,818	\$ 13,663,295
Less: Total Levy.....	\$5,663,545	\$5,452,273	\$5,452,273
Constitutional Tax Margin.....	\$11,601,864	\$ 9,972,545	\$ 8,211,022

Larger Taxpayers – 2023 Assessment Roll for 2024 Taxes

<u>Name</u>	<u>Type</u>	<u>Taxable Assessed Valuation</u>
Galvan Initiatives Foundation	Investor/Developer	\$ 14,583,050
Columbia Memorial Hospital	Hospital	13,560,000
Niagara Mohawk Power	Utility	9,398,110
Hudson NY, LLC	Investor/Developer	6,670,250
South 99 LLC	Warehouse/Rental	5,500,000
Colarusso Ventures	Industrial	4,720,600
Eight Iron Buildings Inc.	Bank/Office	3,900,000
TMH Real Estate LLC	Residential	3,315,000
Hudson Gardens	Apt. Complex	3,000,000
Hudson City Housing	Apt. Complex	2,855,000

The ten taxpayers listed above have a total taxable assessed valuation of \$67,502,010, which represents 9.07% of the City Tax Base for the 2024 fiscal year. See “LITIGATION” herein.

Source: City tax rolls.

TAX LEVY LIMITATION LAW

Chapter 97 of the Laws of 2011, as amended (the “Tax Levy Limitation Law”) applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo, the latter four of which are indirectly affected by applicability to their respective city). It also applies to independent special districts and to town and county improvement districts as part of their parent municipality’s tax levies.

The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implications thereof.

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

STATUS OF INDEBTEDNESS

Constitutional Requirements

The New York State Constitution limits the power of the City (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 City and the Bonds and Notes include the following:

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

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

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

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

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

Statutory Procedure

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

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

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

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

Except on rare occasions the City complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

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

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

Debt Outstanding End of Fiscal Year

<u>Fiscal Years Ending December 31st:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Bonds	\$ 12,367,994	\$ 11,649,926	\$ 10,940,976	\$ 10,224,477	\$ 11,561,894
Leases ⁽¹⁾	1,202,281	1,030,000	900,000	770,000	640,000
Bond Anticipation Notes	<u>0</u>	<u>0</u>	<u>3,029,100</u>	<u>8,401,025</u>	<u>4,995,543</u>
Total Debt Outstanding	\$ 13,570,275	\$ 12,679,926	\$ 14,870,076	\$ 19,395,502	\$ 17,197,437

⁽¹⁾ See "Other Obligations" herein.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the City as evidenced by bonds as of June 6, 2024.

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
Bonds	2024-2043	\$ 11,481,894
Bond Anticipation Notes Various Projects	June 21, 2024	<u>4,995,543</u> ⁽¹⁾
Total Indebtedness		<u>\$ 16,477,437</u>

⁽¹⁾ To be partially redeemed, renewed, and permanently financed with the proceeds of the Bonds, Notes and available funds of the City.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin prepared as of June 6, 2024:

Five Year Average Full Valuation of Taxable Real Property	\$	803,455,469
Debt Limit 7% thereof ⁽¹⁾		56,277,882

Inclusions:

Bonds.....	\$	11,481,894
Bond Anticipation Notes		<u>4,995,543</u> ⁽²⁾
Total Inclusions	\$	<u>18,545,502</u>

Exclusions:

Water Indebtedness ⁽³⁾	\$	3,195,951
Sewer Indebtedness ⁽⁴⁾		3,314,000
Appropriations ⁽⁵⁾		<u>136,943</u>
Total Exclusions.....	\$	<u>6,646,894</u>

Total Net Indebtedness Subject to Debt Limit.....\$ 11,898,608

Net Debt-Contracting Margin.....\$ 44,329,274

The percent of debt contracting power exhausted is 21.14%

The issuance of the Bonds and Notes will increase the Total Net Indebtedness of the City.

- (1) The City has a debt contracting limitation equal to seven percent of average full valuation (See “Constitutional Requirements; Debt Limit” and “TAX LEVY LIMITATION LAW”, herein.)
- (2) To be partially redeemed, renewed and permanently financed with the proceeds of the Bonds, Notes and available funds of the City.
- (3) Water Debt is excluded pursuant to Article VIII, Section 5B of the New York State Constitution.
- (4) Sewer Debt may be excluded pursuant to Section 124.10 of the Local Finance Law, subject to certain requirements. The City received a certificate from the State Comptroller’s Office on April 14, 2014 with respect to obligations issued December 19, 2013 to NYS EFC in the original principal amount of \$4,968,647.
- (5) Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.

Other Obligations

The City issued a \$3,815,000 lease for a Firehouse in 2005. The principal amount outstanding as of December 31, 2023 is \$640,000. The lease has a variable rate of interest based on SOFR plus 55 basis points. The last payment is scheduled to be made on December 1, 2028.

Authorized But Unissued Items

The City anticipates short-term borrowing in order to initiate and complete a portion of the capital projects identified in the \$10 million NYS Downtown Revitalization Initiative (“DRI”) won by Hudson in 2017. On June 22, 2023 the City issued bond anticipation notes in the principal amount of \$863,905 to renew notes issued for the Promenade Park DRI Project. The City will paydown the outstanding \$863,905 bond anticipation notes in full at maturity on June 21, 2024. On June 22, 2023; the City issued bond anticipation notes in the amount of \$2,832,397 to renew bond anticipation notes issued for the DRI Connectivity Improvements. A \$2,572,397 portion of the Notes along with \$260,000 available funds of the City will partially redeem and renew the outstanding \$2,832,397 bond anticipation notes. On May 29, 2024 the City authorized an additional \$983,750 to fund the DRI Connectivity Improvements. The majority of these funds are expected to be reimbursed by the DRI award.

In 2022, the City authorized the issuance of serial bonds in an aggregate principal amount not to exceed \$150,000 for the acquisition of a fire boat for fire department purposes, dependent on a successful grant application to FEMA. The grant was not awarded.

The City has authorized the issuance of \$1,852,839 for the NYPA LED replacement street light program. A \$1,852,839 portion of the bonds will permanently finance the aforementioned purpose.

The City has authorized and issued \$1,299,241 to renew a portion of notes issued to finance a CSO remediation project. The Notes will include \$487,624 to renew a portion of such notes.

The City has authorization to issue obligations in the principal amount of \$4,950,000 to finance the Ferry Street Bridge project. A portion of the Notes in the principal amount of \$4,950,000 will finance the aforementioned project. The majority of such project cost is expected to be reimbursed from NYS DOT grants.

The City has authorized obligations in the principal amount of \$1,500,000 to finance the Union Street/East Court Street Sewer Lines and WWTP improvements. A \$1,500,000 portion of the Bonds will finance the aforementioned project.

The City has authorized obligations in the principal amount of \$1,100,000 to finance the acquisition of a pumper truck.

The City has authorized obligations in the principal amount of \$1,100,000 to finance water distribution improvements for Robinson and Third Street.

The City has authorized obligations in the principal amount of \$33,624,000 to finance a portion of a \$58,624,000 Phase I of a Citywide CSO mitigation project. The Preliminary Engineering Report for this project anticipates the need for additional CSO phases with a cost of \$53,462,300 in 2027 and \$64,897,000 in 2028 in order to meet regulatory permit requirements.

Cash Flow Borrowings

The City has not found it necessary to issue revenue anticipation notes or tax anticipation notes in the past 20 years and has no current plans to issue either in the future.

Bonded Debt Service

A schedule of Bonded Debt Service may be found as APPENDIX - B to this Official Statement.

Estimated Overlapping Indebtedness

In addition to the City, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the City. Bonded indebtedness, including bond anticipation notes, is estimated as of the close of the fiscal year of the respective governmental units not adjusted to include subsequent bond issues, if any.

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> ⁽¹⁾	<u>Estimated Exclusions</u>	<u>Net Indebtedness</u>	<u>City Share</u>	<u>Applicable Indebtedness</u>
County of:						
Columbia	12/31/2022	\$ 50,891,338 ⁽²⁾	\$ - ⁽³⁾	\$ 50,891,338	8.36%	\$ 4,254,516
School District:						
Hudson City SD	12/13/2023	3,090,500 ⁽⁴⁾	2,206,617 ⁽⁵⁾	883,883	41.28%	364,867
					Total:	<u>\$ 4,619,383</u>

- (1) Outstanding bonds and bond anticipation notes of the respective municipality. Not adjusted to include subsequent issuances, if any, from the date of the status of indebtedness stated in the table above for each respective municipality.
- (2) Gross indebtedness sourced from local government data provided by the State Comptroller's office for the most recent fiscal year such data is available for the respective municipality.
- (3) Information regarding excludable debt not available.
- (4) Gross indebtedness, exclusions, and net-indebtedness sourced from available annual financial information & operating data filings and/or official statements of the respective municipality.
- (5) State Building aid.

Debt Ratios

The following table sets forth certain ratios relating to the City's Net Indebtedness as of June 6, 2024.

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness ^(c)	\$ 11,898,608	\$ 2,055.03	1.60%
Net Indebtedness Plus Net Overlapping Indebtedness ^(d)	16,517,991	2,852.85	2.22

- (a) The current population of the City is estimated to be 5,790. (See “THE CITY – Population Trends” herein.)
- (b) The City’s full value of taxable real estate for the 2024 fiscal year is \$744,313,569. (See “TAX INFORMATION – Taxable Valuations” herein.)
- (c) See "Debt Statement Summary” for the calculation of Net Indebtedness, herein.
- (d) The City’s applicable share of Net Overlapping Indebtedness is estimated to be \$4,619,383. (See "Estimated Overlapping Indebtedness" herein.)

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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. A plan of adjustment potentially including a plan altering the terms of payment of the Bonds and Notes can be confirmed by a federal bankruptcy court over the objections of creditors if the plan is found to be “fair and equitable” and “in the best interest of creditors.”

The rights of the owners of Bonds and Notes to receive interest and principal from the City could be adversely affected by the restructuring of the City's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of debt obligations issued by the City (including the Bonds and 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 City under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights; such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally.

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 full faith and credit for the payment of obligations.

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law, as described below, enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the City.

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

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

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

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

Title 6-A requires notice to all creditors of each material step in the proceedings. Court determinations adverse to the municipality or its financial emergency control board are appealable as of right to the appellate division in the judicial department in which the court is located and thereafter, if necessary, to the Court of Appeals. Such appeals stay the judgment 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. School districts and fire districts are not eligible for FRB assistance.

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

Such Constitutional provision 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" herein.

No Past Due Debt. No principal of or interest on City indebtedness is past due.

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12" or the "Rule"), the City will enter into an Undertaking to provide notice of certain enumerated events as described in Rule 15c2-12 with respect to the Notes, and an Undertaking to provide continuing disclosure with respect to the Bonds, substantially in the forms attached hereto as "APPENDIX – C" and "APPENDIX – D". The City reserves the right to amend or modify the Undertakings under certain circumstances set forth therein, provided that any such modification must be done in a manner consistent with Rule 15c2-12.

Historical Compliance

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

On January 2, 2018, the City's submitted notice of its failure to provide audited financial statements for the fiscal year ending December 31, 2016 by the last business day of the respective succeeding fiscal year. The City's 2016 audited financial report was submitted to the EMMA system on February 21, 2018.

On March 4, 2021, the City's submitted notice of its failure to provide audited financial statements for the fiscal year ending December 31, 2019 by the last business day of the respective succeeding fiscal year. The City's 2019 audited financial report was submitted to the EMMA system on March 4, 2021. On December 30, 2021, the City timely submitted its audited financial statement for 2020 by the last business day of the succeeding fiscal year.

The City failed to file its audited financial statements for the fiscal year ending December 31, 2021 by the last business day of the respective succeeding fiscal year. The City filed a failure to file material event notification to EMMA on January 6, 2023.

The City failed to file its audited financial statements for the fiscal year ending December 31, 2022 by the last business day of the respective succeeding fiscal year. The City filed a failure to file material event notification to EMMA on January 8, 2024.

The City currently retains Fiscal Advisors & Marketing, Inc. as a dissemination agent to assist the City with filings required under Rule 15c2-12. Such dissemination agent works with the City to help ensure that proper information is filed as required under the City's disclosure undertakings.

MARKET AND RISK FACTORS

There are various forms of risk associated with investing in the Bonds and Notes. The following is a discussion of certain events that could affect the risk of investing in the Bonds and 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 risk.

The financial and economic condition of the City as well as the market for the Bonds and Notes could be affected by a variety of factors, some of which are beyond the City's control. There can be no assurance that adverse events in the State and in other jurisdictions in the country, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Bonds and 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 City to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Bonds and Notes, could be adversely affected.

The City 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 City, in any year, the City may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the City. In several recent years, the City 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" herein).

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

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

The Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts and have restrictions in the State, including the City without providing an exclusion for debt service on obligations issued by municipalities or fire districts, including the City, could have an impact upon the market price of the Bonds and Notes. See "TAX LEVY LIMITATION" herein.

COVID -19

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the City's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid, as well as resulting in a delay or reduction of sales tax receipts or other revenues of the City. Currently, the spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to continue to affect economic growth worldwide. The current outbreak had caused the Federal government to declare a national state of emergency. The State had also declared a state of emergency and the Governor took steps designed to mitigate the spread and impacts of COVID-19, including temporarily closing schools and non-essential businesses for several months. It is not possible to predict the long term impact of the outbreak of COVID-19 on the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time. Similarly, the degree of the impact to the City's operations and finances is extremely difficult to predict. The City is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations.

Cybersecurity

The City, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the City faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. In addition, the City faces threats from email compromise and other attempts to fraudulently obtain private data or funds. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the City invests in various forms of cybersecurity and operational controls; however, no assurances can be given that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage City digital networks and systems and the costs of remedying any such damage could be substantial.

TAX MATTERS

Opinion of Bond Counsel. In the opinion of Rodenhause Chale & Polidoro LLP, Rhinebeck, New York, Bond Counsel to the City, under existing law, and assuming continuing compliance with certain tax certifications described herein, interest on the Bonds and Notes is not included in gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”). In addition, interest on the Bonds and Notes is not treated as an “item of tax preference” for purposes of the federal alternative minimum tax applicable to individuals under the Code; however, interest on the Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. The Arbitrage and Use of Proceeds Certificates of the City which will be delivered concurrently with the delivery of the Bonds and Notes, respectively, will contain provisions and procedures relating to compliance with applicable provisions of the Code.

It is also the opinion of Bond Counsel to the City that interest on the Bonds and Notes is exempt from personal income taxes imposed by the State and its political subdivisions (including The City of New York).

Bond Counsel expresses no opinion with respect to any other federal, state or local tax consequences arising with respect to the Bonds and Notes or the ownership or disposition thereof.

Bond Counsel’s opinion is rendered as of its date, and no opinion is expressed as to matters referred to herein on any subsequent date. Certain requirements and procedures contained or referred to in the Arbitrage and Use of Proceeds Certificates delivered in connection with the issuance of the Bonds and Notes may be changed, and certain actions may be taken, under the circumstances and subject to the terms and conditions set forth in such document, upon the advice or with the approving opinion of Bond Counsel. Bond Counsel expresses no opinion as to the Bonds and Notes or the interest thereon if any change occurs or action is taken upon the advice or approval of bond counsel other than Rodenhause Chale & Polidoro LLP, Rhinebeck, New York.

Certain Requirements of the Code. The Code establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds and Notes in order that interest on the Bonds and Notes be and remain not included in gross income for Federal income tax purposes pursuant to Section 103 of the Code. These requirements include but are not limited to restrictions on the investment and use of proceeds of the Bonds and Notes and the rebate of certain earnings in respect of such investments to the United States. Noncompliance may cause interest on the Bonds and Notes to become subject to Federal income taxes retroactive to the date of issue of the Notes, irrespective of the date on which such noncompliance occurs or is ascertained. The City will execute and deliver an Arbitrage and Use of Proceeds Certificate with respect to the Bonds and Notes which will contain provisions and procedures relating to compliance with applicable requirements of the Code. The Arbitrage and Use of Proceeds Certificates will include the City’s certification to the effect that the City will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that interest on the Bonds and Notes is not included in gross income pursuant to Section 103(a) of the Code.

In rendering its opinion, Bond Counsel has relied upon the representations, certifications of fact and statements of reasonable expectations made by the City in connection with the Bonds and Notes, and Bond Counsel has assumed compliance with such covenants and warranties and the accuracy, in all material respects, of such representations and certifications.

Certain Additional Federal Tax Consequences. The following is a brief discussion of certain federal income tax matters with respect to the Bonds and Notes under existing law. It does not purport to deal with all aspects of federal taxation that may be relevant to a particular owner of a Bond or Note. Prospective investors are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds or Notes. Bond Counsel expresses no opinion regarding any such consequences.

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

Owners of Bonds and Notes subject to any such taxes or who might fall into any such category should consult their own tax advisors as to the computation of any such tax and the applicability of these consequences.

Legislation affecting municipal obligations, such as the Bonds or Notes, is considered from time to time by the United States Congress. There can be no assurance that legislation enacted or proposed after the date of issuance of the Bonds and Notes will not have an adverse effect on the tax-exempt status or market price of the Bonds and Notes.

Original Issue Discount. “Original issue discount” (“OID”) is the excess of the sum of all amounts payable at the stated maturity of a Tax-Exempt Obligation (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the “issue price” of a maturity means the first price at which a substantial amount of each of the Bonds and Notes of that maturity was sold (excluding sales to bond houses, brokers, or similar persons acting in the capacity as underwriters, placement agents or wholesalers). In general, the issue price for the Bonds and Notes is expected to be the initial public offering price set forth in this Official Statement. For any Bonds and Notes having OID (a “Discount Bond”), OID that has accrued and is properly allocable to the owners of the Discount Bonds under Section 1288 of the Code is excludable from gross income for Federal income tax purposes to the same extent as other interest on the Bonds and Notes.

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

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

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

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

The Bonds and Notes will NOT be designated as “qualified tax-exempt obligations” under Section 265(b)(3) of the Code.

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

The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax-exempt obligations. If an audit of the Bonds and Notes is commenced, under current procedures the IRS is likely to treat the City as the “taxpayer,” and the owners of the Bonds and Notes would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds and Notes, the City may have different or conflicting interests from the owners of the Bonds and Notes. Public awareness of any future audit of the Bonds and Notes could adversely affect the value and liquidity of the Bonds and Notes during the pendency of the audit, regardless of its ultimate outcome.

PROSPECTIVE PURCHASERS OF THE BONDS AND NOTES SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE FOREGOING MATTERS.

LEGAL MATTERS

Legal matters incident to the authorized issuance and sale of the Bonds and Notes will be subject to the final approving opinion of Rodenhausen Chale & Polidoro LLP, Rhinebeck, New York, Bond Counsel. The forms of the approving opinions of bond counsel with respect to the Bonds and Notes expected to be delivered at closing are attached to this Official Statement as “APPENDIX F”, and “APPENDIX G” and made a part thereof. Certain legal matters will be passed on for the City by its Corporation Counsel.

RATINGS

The Notes are not rated. Subject to the approval of the City, the purchaser(s) of the Notes may have a rating completed after the sale at the expense of the purchaser(s), including any fees to be incurred by the City, such as a rating action that may require the filing of a material event notification to EMMA, and/or the provision of a supplement to the final Official Statement.

S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”) has assigned their underlying rating of “A+” with a stable outlook to the Bonds. A rating reflects only the view of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Any desired explanation of the significance of such rating should be obtained from Standard & Poor’s Credit Market Services, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 553-0038, Fax: (212) 553-1390.

Generally, rating agencies base their ratings on the information and materials furnished to it and on investigations, studies and assumptions by the respective rating agency. There is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant. Any downward revision or withdrawal of the rating of the Bonds may have an adverse effect on the market price of the Bonds.

LITIGATION

The City is subject to a number of lawsuits in the ordinary conduct of its affairs, some of which are being defended by the City’s insurance carrier. For those matters covered by the carrier, all have been reserved within the applicable limits of the City’s insurance coverage and are expected to be resolved with the policy limits of the City of Hudson’s insurance coverage.

The status of pending litigation is as follows:

A Notice of Claim was filed by Jusselby Vindel-Rax in connection with a property damage claim involving the claimant’s motor vehicle. No formal legal action has yet been commenced.

A Notice of Claim was filed by Elaine Allen alleging damages in a slip and fall in a City owned parking lot. No formal legal action has yet been commenced.

A Notice of Claim was filed by Kevron Lee alleging false arrest by the City of Hudson police department. No formal legal action has yet been commenced.

A Notice of Claim was filed by Joshua Ryder alleging false arrest by the City of Hudson police department. No formal legal action has yet been commenced.

A Notice of Claim was filed by Khalid Lord alleging false an unlawful seizure by the City of Hudson police department. No formal legal action has yet been commenced.

Once again, all of the above-cited claims are expected to be resolved with the policy limits of the City of Hudson's insurance coverage.

Hess v. City of Hudson. In the matter of Hess v. City of Hudson, the initial lawsuit was filed against the City for a trench that collapsed while the plaintiff was working on a construction project. The City sued the insurance carrier for the contractor seeking insurance coverage and that carrier agreed to pay. The action has been resolved on terms satisfactory to the City.

Colarusso & Sons v. City of Hudson Planning Board. This is a hybrid Art. 78 against the City Planning Board related to site plan approval of a dock operation. The City has filed a Notice of Appeal that is pending before the Appellate Division Third Department. There is no monetary claim to the City of Hudson as the matter involves determination of a Planning Board decision.

Tax Certiorari Proceedings. The City is often a named party in certiorari proceedings instituted commenced pursuant to Article 7 of the N.Y. Real Property Tax Law. In these proceedings, taxpayers claim that their current real property assessment is excessive and ask that such assessment be reduced. Generally, tax claims request a refund of taxes applicable to the alleged over-assessment. Claims of this nature are filed continuously and some cases may not be settled for several years or more. It is not unusual for certain taxpayers to have multiple pending claims affecting a period of years. None of the outstanding claims are expected to result in any refunds that would have a substantial material impact on the City.

MUNICIPAL ADVISOR

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

CUSIP IDENTIFICATION NUMBERS

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

MISCELLANEOUS

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are “forward-looking statements”, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the City management’s beliefs as well as assumptions made by, and information currently available to, the City 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 City’s files with the repositories. When used in City documents or oral presentation, the words “anticipate”, “believe”, “intend”, “plan”, “foresee”, “likely”, “estimate”, “expect”, “objective”, “projection”, “forecast”, “goal”, “will”, or “should”, or similar words or phrases are intended to identify forward-looking statements.

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

References herein to the Constitution of the State and various State and federal laws are only brief outlines of certain provisions thereof and do not purport to summarize or describe all of such provisions.

Rodenhausen, Chale, & Polidoro LLP, Bond Counsel to the City, expresses no opinions as to the accuracy or completeness of information in any documents prepared by or on behalf of the City for use in connection with the offer and sale of the, including but not limited to, the financial or statistical information in this Official Statement.

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

The City’s contact information is as follows: Ms. Heather S. Campbell, City Treasurer, City of Hudson, 520 Warren Street, Hudson, New York 12534, phone: (518) 828-0212, telefax: (518) 828-3579, email: citytreasurer@cityofhudson.org.

This Official Statement has been duly executed and delivered by the City Treasurer of the City of Hudson on behalf of the City.

CITY of HUDSON

Dated: June 6, 2024

HEATHER S. CAMPBELL
City Treasurer

GENERAL FUND
Balance Sheets

<u>Fiscal Years Ending December 31:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u> (Unaudited)
ASSETS					
Cash:					
Unrestricted	\$ 4,286,558	\$ 3,178,947	\$ 1,851,342	\$ 2,658,517	\$ 3,158,041
Restricted	437,234	619,622	723,808	844,630	218,014
Taxes receivable, net	1,555,079	1,800,043	1,909,355	1,887,206	1,870,438
Other, net of allowance	524,653	896,484	155,351	186,942	259,664
Prepaid Expenditures	23,252	14,001	13,810	44,253	49,527
Due from Other Governments	342,449	73,899	1,679,647	1,050	1,050
State and Federal Aid Receivable	-	-	-	842,871	1,054,994
Due from Other Funds	909,009	2,109,727	3,798,702	3,134,461	3,563,697
TOTAL ASSETS	\$ 8,078,234	\$ 8,692,723	\$ 10,132,015	\$ 9,599,930	\$ 10,175,425
LIABILITIES AND FUND EQUITY					
Accounts Payable	\$ 1,143,226	\$ 1,350,220	\$ 1,895,996	\$ 490,897	\$ 420,240
Accrued Liabilities	99,758	176,807	135,832	147,924	276,013
Other Liabilities	6,386	42,393	58,863	106,365	13,948
Due to Other Governments	766,655	923,648	880,723	1,013,736	51,468
Due to Other Funds	141,386	319,824	308,050	417,372	549,622
Deferred Revenue	647,184	804,886	308,909	430,689	-
Due to Employees' Retirement System	525,036	562,494	686,947	616,174	690,906
Due to Police and Firemens' Retirement System	-	-	-	-	-
Due to City School Districts	-	-	-	-	1,509,586
Overpayments & collections in advance	-	-	891,211	444,532	671,829
TOTAL LIABILITIES	3,329,631	4,180,272	5,166,531	3,667,689	4,183,612
FUND EQUITY					
Non Spendable	\$ 23,252	\$ 10,601	\$ 13,810	\$ 44,253	\$ 2,738,425
Restricted	871,972	762,682	754,733	804,821	492,024
Committed	-	-	-	-	-
Assigned	1,015,972	1,224,341	556,004	651,012	1,429,086
Unassigned	2,837,407	2,514,827	3,640,937	4,432,155	1,332,278
TOTAL FUND EQUITY	4,748,603	4,512,451	4,965,484	5,932,241	5,991,813
TOTAL LIABILITIES and FUND EQUITY	\$ 8,078,234	\$ 8,692,723	\$ 10,132,015	\$ 9,599,930	\$ 10,175,425

Source: Audited financial reports and 2023 Annual Financial Report Update Document (unaudited) of the City.
This Appendix is not itself audited.

GENERAL FUND
Revenues, Expenditures and Changes in Fund Balance

<u>Fiscal Years Ending December 31:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
REVENUES					
Real Property Taxes	\$ 5,200,606	\$ 5,224,376	\$ 5,563,136	\$ 5,616,472	\$ 6,038,972
Real Property Tax Items	333,325	-	-	-	-
Non-Property Taxes	2,205,843	2,258,746	2,179,157	2,888,201	3,144,272
Departmental Income	613,030	924,107	510,238	744,641	857,426
Use of Money & Property	74,726	83,942	101,115	109,500	56,896
Licenses and Permits	160,584	205,052	173,162	252,380	290,469
Fines and Forfeitures	376,058	395,595	307,399	463,883	387,554
Sale of Property and Compensation for Loss	55,608	469,909	31,152	46,682	130,494
Miscellaneous	71,481	139,924	383,945	287,913	106,219
Revenues from State Sources	1,757,415	2,192,829	1,800,279	2,516,700	2,014,406
Revenues from Federal Sources	-	-	-	16,937	299,420
Total Revenues	\$ 10,848,676	\$ 11,894,480	\$ 11,049,583	\$ 12,943,309	\$ 13,326,128
EXPENDITURES					
General Government Support	\$ 1,296,302	\$ 1,312,146	\$ 1,264,413	\$ 1,319,803	\$ 1,444,004
Public Safety	3,575,420	3,707,157	3,601,310	3,635,093	4,182,574
Health	8,575	8,556	7,632	9,489	8,900
Transportation	1,210,452	1,535,652	1,165,674	1,765,845	1,231,813
Economic Assistance and Opportunity	3,232	3,938	173,921	166,391	57,696
Culture and Recreation	880,759	1,053,594	1,122,179	965,739	1,029,517
Home and Community Services	237,476	313,318	367,028	382,476	376,822
Employee Benefits	2,885,783	2,701,164	2,657,303	2,895,738	2,910,236
Debt Service	523,959	603,076	598,753	533,612	536,608
Total Expenditures	\$ 10,621,958	\$ 11,238,601	\$ 10,958,213	\$ 11,674,186	\$ 11,778,170
Other Financing Sources (Uses):					
BAN Premium	-	-	-	21,325	43,224
Operating Transfers In	-	2,415	1,428	-	-
Operating Transfers Out	(250,000)	(373,360)	(465,000)	(837,415)	(624,425)
Total Other Financing	(250,000)	(370,945)	(463,572)	(816,090)	(581,201)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses					
	(23,282)	284,934	(372,202)	453,033	966,757
FUND BALANCE					
Fund Balance - Beginning of Year	4,486,951	4,463,669	4,748,603	4,512,451	4,965,484
Prior Period Adjustments (net)	-	-	136,050	-	-
Fund Balance - End of Year	\$ 4,463,669	\$ 4,748,603	\$ 4,512,451	\$ 4,965,484	\$ 5,932,241

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

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

Fiscal Years Ending December 31:	2023		2024
	Adopted Budget	Unaudited Actual	Adopted Budget
REVENUES			
Real Property Taxes	\$ 5,452,273	\$ 5,128,375	\$ 5,663,545
Real Property Tax Items	504,758	278,575	350,000
Non-Property Taxes	2,720,000	3,125,668	3,352,550
Departmental Income	495,500	1,075,805	364,200
Use of Money & Property	59,200	128,008	112,991
Licenses and Permits	231,650	433,663	798,175
Fines and Forfeitures	440,000	387,518	445,000
Sale of Property and Compensation for Loss	271,000	722,531	643,000
Miscellaneous	157,407	175,396	89,175
Revenues from State Sources	2,093,194	2,169,698	2,882,651
Revenues from Federal Sources	150,962	443,008	19,840
Total Revenues	\$ 12,575,944	\$ 14,068,245	\$ 14,721,127
EXPENDITURES			
General Government Support	\$ 1,749,346	\$ 1,499,210	\$ 1,943,458
Public Safety	4,030,648	4,436,526	4,324,959
Health	8,662	8,808	9,298
Transportation	1,305,563	1,530,137	2,221,506
Economic Assistance and Opportunity	34,000	3,888	4,000
Culture and Recreation	1,231,941	1,335,960	1,360,898
Home and Community Services	341,037	346,837	431,389
Employee Benefits	3,001,754	3,194,459	3,566,006
Debt Service	536,279	851,391	807,900
Total Expenditures	\$ 12,239,230	\$ 13,207,216	\$ 14,669,414
Other Financing Sources:			
BAN Premium		-	
Operating Transfers In	1,500	-	741,029
Operating Transfers Out	(338,214)	(801,718)	(792,742)
Total Other Financing	(336,714)	(801,718)	(51,713)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	59,311	-
FUND BALANCE			
Fund Balance - Beginning of Year	-	5,496,592	-
Prior Period Adjustments (net)	-	435,909	-
Fund Balance - End of Year	\$ -	\$ 5,991,812	\$ -

Source: 2023 Annual Financial Report Update Document (unaudited) and adopted budgets of the City. This Appendix is not itself audited.

BONDED DEBT SERVICE

Fiscal Year Ending December 31st	Principal	Interest	Total
2024	\$ 671,706	\$ 229,880.98	\$ 901,586.98
2025	718,573	184,062.50	902,635.50
2026	737,382	175,431.25	912,813.25
2027	751,192	166,106.25	917,298.25
2028	765,001	156,150.00	921,151.00
2029	783,811	145,450.00	929,261.00
2030	802,620	133,875.00	936,495.00
2031	816,430	121,525.00	937,955.00
2032	835,239	108,700.00	943,939.00
2033	564,320	95,400.00	659,720.00
2034	579,780	81,625.00	661,405.00
2035	595,240	67,275.00	662,515.00
2036	610,700	52,350.00	663,050.00
2037	580,700	36,950.00	617,650.00
2038	605,700	20,875.00	626,575.00
2039	320,700	9,500.00	330,200.00
2040	325,700	3,200.00	328,900.00
2041	165,700	-	165,700.00
2042	165,700	-	165,700.00
2043	165,700	-	165,700.00
TOTALS	\$ 11,561,894	\$ 1,788,356	\$ 13,350,250

CURRENT BONDS OUTSTANDING

Fiscal Year Ending Dec 31st	2003			2006		
	NYS EFC - Water			NYS EFC - Water		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 254,581	\$ -	\$ 254,581.00	\$ 34,482	\$ -	\$ 34,482.00
2025	257,931	-	257,931.00	34,942	-	34,942.00
2026	261,280	-	261,280.00	35,402	-	35,402.00
2027	264,630	-	264,630.00	35,862	-	35,862.00
2028	267,980	-	267,980.00	36,321	-	36,321.00
2029	271,330	-	271,330.00	36,781	-	36,781.00
2030	274,679	-	274,679.00	37,241	-	37,241.00
2031	278,029	-	278,029.00	37,701	-	37,701.00
2032	281,379	-	281,379.00	38,160	-	38,160.00
2033	-	-	-	38,620	-	38,620.00
2034	-	-	-	39,080	-	39,080.00
2035	-	-	-	39,540	-	39,540.00
2036	-	-	-	40,000	-	40,000.00
TOTALS	\$ 2,411,819	\$ -	\$ 2,411,819.00	\$ 484,132	\$ -	\$ 484,132.00

CURRENT BONDS OUTSTANDING

Fiscal Year Ending Dec 31st	2013 NYS EFC - Sewer			2014 Serial Bond		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 165,700	\$ -	\$ 165,700.00	\$ 80,000	\$ 78,000.00	\$ 158,000.00
2025	165,700	-	165,700.00	85,000	74,700.00	159,700.00
2026	165,700	-	165,700.00	90,000	71,200.00	161,200.00
2027	165,700	-	165,700.00	95,000	67,500.00	162,500.00
2028	165,700	-	165,700.00	95,000	63,700.00	158,700.00
2029	165,700	-	165,700.00	100,000	59,800.00	159,800.00
2030	165,700	-	165,700.00	105,000	55,700.00	160,700.00
2031	165,700	-	165,700.00	110,000	51,400.00	161,400.00
2032	165,700	-	165,700.00	115,000	46,900.00	161,900.00
2033	165,700	-	165,700.00	120,000	42,200.00	162,200.00
2034	165,700	-	165,700.00	125,000	37,300.00	162,300.00
2035	165,700	-	165,700.00	130,000	32,200.00	162,200.00
2036	165,700	-	165,700.00	135,000	26,900.00	161,900.00
2037	165,700	-	165,700.00	140,000	21,400.00	161,400.00
2038	165,700	-	165,700.00	150,000	15,600.00	165,600.00
2039	165,700	-	165,700.00	155,000	9,500.00	164,500.00
2040	165,700	-	165,700.00	160,000	3,200.00	163,200.00
2041	165,700	-	165,700.00	-	-	-
2042	165,700	-	165,700.00	-	-	-
2043	165,700	-	165,700.00	-	-	-
TOTALS	\$ 3,314,000	\$ -	\$ 3,314,000.00	\$ 1,990,000	\$ 757,200.00	\$ 2,747,200.00

CURRENT BONDS OUTSTANDING

Fiscal Year Ending Dec 31st	2016 Serial Bond			2023 Serial Bond		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 70,000	\$ 34,687.50	\$ 104,687.50	\$ 66,943	\$ 117,193.48	\$ 184,136.48
2025	70,000	33,112.50	103,112.50	105,000	76,250.00	181,250.00
2026	75,000	31,481.25	106,481.25	110,000	72,750.00	182,750.00
2027	75,000	29,793.75	104,793.75	115,000	68,812.50	183,812.50
2028	80,000	28,050.00	108,050.00	120,000	64,400.00	184,400.00
2029	80,000	26,250.00	106,250.00	130,000	59,400.00	189,400.00
2030	85,000	24,075.00	109,075.00	135,000	54,100.00	189,100.00
2031	85,000	21,525.00	106,525.00	140,000	48,600.00	188,600.00
2032	90,000	18,900.00	108,900.00	145,000	42,900.00	187,900.00
2033	90,000	16,200.00	106,200.00	150,000	37,000.00	187,000.00
2034	95,000	13,425.00	108,425.00	155,000	30,900.00	185,900.00
2035	95,000	10,575.00	105,575.00	165,000	24,500.00	189,500.00
2036	100,000	7,650.00	107,650.00	170,000	17,800.00	187,800.00
2037	100,000	4,650.00	104,650.00	175,000	10,900.00	185,900.00
2038	105,000	1,575.00	106,575.00	185,000	3,700.00	188,700.00
2039	-	-	-	-	-	-
2040	-	-	-	-	-	-
TOTALS	\$ 1,295,000	\$ 301,950.00	\$ 1,596,950.00	\$ 2,066,943	\$ 729,205.98	\$ 2,796,148.98

FORM OF UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE WITH RESPECT TO THE NOTES

This Undertaking to Provide Continuing Disclosure (the "Undertaking") is executed and delivered by the City of Hudson (the "Issuer") in connection with the issuance by the Issuer of its Bond Anticipation Notes, Series 2024 in the aggregate principal amount of \$7,522,397 dated June 20, 2024 (the "Notes"). The Notes are being issued pursuant to bond resolutions of the Issuer described in the Certificate of Determination dated as of June __, 2024 (collectively the "Resolution"). The Notes mature less than eighteen months after their date of issue. Pursuant to the Resolutions, the Issuer has covenanted and agreed to provide timely notices of the occurrence of certain events, and in that regard hereby covenants and agrees as follows:

SECTION 1. Purpose of the Undertaking. This Undertaking is being executed and delivered by the Issuer for the benefit of the Bondholder. This Undertaking constitutes the written undertaking required by SEC Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings;

"Applicable Series" shall mean the Notes described above and any other obligations made subject to this Undertaking by the Issuer.

"Beneficial Owners" shall mean, with respect to the Applicable Series, persons who have or share investment power, including beneficial owners of any Notes held by Depository Trust Company.

"Bondholder" means the person in whose name a security is registered.

"EMMA" means the Electronic Municipal Market Access System created by the MSRB, and any successor thereto designated by the SEC for purposes of the Rule.

"Fiscal Year" means the fiscal year of the Issuer, which is currently a calendar year.

"Issuer" means the City of Hudson, which is the obligated person with respect to the Applicable Series.

"Material Events" shall mean any of the events listed in Section 4 of this Undertaking, if material.

"MSRB" means the Municipal Securities Rulemaking Board, currently located at 1150 18th Street, N.W., Suite 400, Washington, D.C. 20036.

"Official Statement" means the Official Statement prepared and executed by the Issuer in connection with the Applicable Series.

"Repository" shall mean EMMA.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" means Securities and Exchange Commission.

SECTION 3. [Intentionally Omitted.]

SECTION 4. Reporting of Significant Events. (a) This Section 4 shall govern the giving of notices of the occurrence of any of the following events, if material:

(i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Applicable Series, or other material events affecting the tax status of the Applicable Series; (vii) modifications to rights of Bondholders, if material; (viii) bond calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Applicable Series, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the Issuer; (xiii) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material; (xv) incurrence of a "financial obligation" (as defined in the Rule) of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the Issuer, any of which affect bondholders, if material; and (xvi) default, event of acceleration, termination event, modification of terms or other similar events under a financial obligation of the Issuer, if any such event reflects financial difficulties.

"Financial obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

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

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

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

(b) The Issuer shall provide to EMMA timely notice, not in excess of ten (10) business days after the occurrence of such event, of the occurrence of any of the Material Events.

(c) Whenever the Issuer obtains knowledge of the occurrence of a Material Event, the Issuer shall as soon as possible determine if such event would constitute material information for Bondholders of the Applicable Series provided that any event under subsection a(vi) will always be deemed material.

(d) If the Issuer has determined that knowledge of the occurrence of a Material Event would be material, the Issuer shall promptly file a notice of such occurrence with EMMA at EMMA Dataport @ www.emma.msrb.org.

SECTION 5. Termination of Reporting Obligation. The Issuer's obligations under this Undertaking shall terminate upon the defeasance, prior redemption or payment in full of all of the Applicable Series, or in the event that those portions of the Rule which require the Undertaking, or such provision, as the case may be, do not or no longer apply to the Applicable Series.

SECTION 6. Amendment; Waiver. The Issuer reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer, provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule. Notwithstanding any other provision of this Undertaking, the Issuer may amend this Undertaking and any provision of this Undertaking may be waived if such amendment or waiver is supported by an opinion of nationally recognized bond counsel to the effect that such amendment or waiver would not, in and of itself, cause the undertakings to violate the Rule and provided that any such amendment or modification will be done in a manner consistent with Rule 15c2-12 as then in effect.

SECTION 7. Additional Information. Nothing in this Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any notice of occurrence of a Material Event, in addition to that which is required by this Undertaking. If the Issuer chooses to include any information in any notice of occurrence of a Material Event, in addition to that which is specifically required by this Undertaking, the Issuer shall have no obligation under this Undertaking to update such information or include it in any future notice of occurrence of a Material Event.

SECTION 8. Default. (a) In the event of a failure of the Issuer to comply with any provision of this Undertaking, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Undertaking. (b) Beneficial Owners shall have the right to seek specific performance by court order to cause the Issuer to comply with its obligations to provide notices of Material Events under this Undertaking. (c) A default under this Undertaking shall not be deemed a default under the Applicable Series or the Resolutions, and the sole and exclusive remedy under this Undertaking in the event of any failure of the Issuer to comply with this Undertaking shall be an action to compel specific performance and no person or entity, including a holder of the Notes, shall be entitled to recover monetary damages thereunder under any circumstances.

SECTION 9. Beneficiaries. This Undertaking shall inure solely to the benefit of the Issuer and the Bondholders from time to time of the Applicable Series (and solely for the purposes set forth in Section 8(b), the Beneficial Owners), and shall create no rights in any other person or entity. In the event of any conflict between the terms of the Resolutions and this Undertaking, the terms of the Resolutions shall control. This Undertaking, or any provision hereof, shall be null and void in the event that the Issuer delivers to each then existing Repository, an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which required this Undertaking are invalid, have been repealed retroactively or otherwise do not apply to the Applicable Series.

IN WITNESS WHEREOF, the Issuer has executed this Undertaking as of June 20, 2024.

CITY OF HUDSON

BY: _____
Heather S. Campbell
City Treasurer & CFO

FORM OF UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE WITH RESPECT TO THE BONDS

This Undertaking to Provide Continuing Disclosure (the "Undertaking") is executed and delivered by the City of Hudson (the "Issuer") in connection with the issuance by the Issuer of its Public Improvement (Serial) Bonds, Series 2024 in the aggregate principal amount of \$3,840,463 dated June 20, 2024 (the "Bonds"). The Bonds are being issued pursuant to various bond resolutions of the Issuer described in the Certificate of Determination dated as of June __, 2024 (the "Resolution"). Pursuant to the Resolution, the Issuer has covenanted and agreed to provide timely notices of the occurrence of certain events, and in that regard hereby covenants and agrees as follows:

SECTION 1. Purpose of the Undertaking. This Undertaking is being executed and delivered by the Issuer for the benefit of the Bondholder. This Undertaking constitutes the written undertaking required by SEC Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings;

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Undertaking.

"Applicable Series" shall mean the Bonds described above and any other obligations made subject to this Undertaking by the Issuer.

"Audited Financial Statements" means the Issuer's annual financial statements, prepared in accordance with generally accepted accounting principles in effect at the time of the audit ("GAAP") for Governmental Units as Prescribed by the Governmental Accounting Standards Board ("GASB").

"Beneficial Owners" shall mean, with respect to the Applicable Series, persons who have or share investment power, including beneficial owners of any Bonds held by Depository Trust Company.

"Bondholder" means the person in whose name a security is registered.

"EMMA" means the Electronic Municipal Market Access System created by the MSRB, and any successor thereto designated by the SEC for purposes of the Rule.

"Fiscal Year" means the fiscal year of the Issuer, which is currently a calendar year.

"Issuer" means the City of Hudson, which is the obligated person with respect to the Applicable Series.

"Material Events" shall mean any of the events listed in Section 4 of this Undertaking, if material.

"MSRB" means the Municipal Securities Rulemaking Board, currently located at 1150 18th Street, N.W., Suite 400, Washington, D.C. 20036.

"Official Statement" means the Official Statement prepared and executed by the Issuer in connection with the Applicable Series.

"Repository" shall mean EMMA.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" means Securities and Exchange Commission.

SECTION 3. Annual Reports. (a) The Issuer shall, by the end of the sixth month following the end of each fiscal year, commencing with the fiscal year ending December 31, 2023, provide to each Repository an Annual Report which is consistent with the requirements of this Section. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report.

(b) The Annual Report shall be prepared by the Issuer and shall contain or incorporate by reference (I) the annual audited financial statements of the Issuer, unless such audited financial statement shall not be available in which case the unaudited financial statement shall be provided in the form provided to the State, if available, and an audited financial statement shall be delivered to each Repository within sixty (60) days after it becomes available and in no event later than the last business day of each succeeding fiscal year after the end of each fiscal year; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the Issuer of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933; and (II) annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the Final Official Statement under the headings "THE CITY", "TAX INFORMATION" "STATUS OF INDEBTEDNESS" "LITIGATION" and all Appendices (other than "APPENDIX C, D, E, F, & G" and any related to bond insurance). Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been filed with each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

(c) The Issuer shall provide, in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice to EMMA of any failure to provide the annual financial information required by this section by the date specified.

SECTION 4. Reporting of Significant Events. (a) This Section 4 shall govern the giving of notices of the occurrence of any of the following events, if material:

principal and interest payment delinquencies; (ii) non-payment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (vii) modifications to rights of Bondholders, if material; (viii) Bond calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Bonds, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the Issuer; (xiii) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material; (xv) incurrence of a "financial obligation" (as defined in the Rule) of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the Issuer, any of which affect bondholders, if material; and (xvi) default, event of acceleration, termination event, modification of terms or other similar events under a financial obligation of the Issuer, if any such event reflects financial difficulties.

"Financial obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

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

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

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

(b) The Issuer shall provide to EMMA timely notice, not in excess of ten (10) business days after the occurrence of such event, of the occurrence of any of the Material Events.

(c) Whenever the Issuer obtains knowledge of the occurrence of a Material Event, the Issuer shall as soon as possible determine if such event would constitute material information for Bondholders of the Applicable Series provided that any event under subsection a(vi) will always be deemed material.

(d) If the Issuer has determined that knowledge of the occurrence of a Material Event would be material, the Issuer shall promptly file a notice of such occurrence with EMMA at EMMA Dataport @ www.emma.msrb.org.

SECTION 5. Termination of Reporting Obligation. The Issuer's obligations under this Undertaking shall terminate upon the defeasance, prior redemption or payment in full of all of the Applicable Series, or in the event that those portions of the Rule which require the Undertaking, or such provision, as the case may be, do not or no longer apply to the Bonds.

SECTION 6. Amendment; Waiver. The Issuer reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer, provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule. Notwithstanding any other provision of this Undertaking, the Issuer may amend this Undertaking and any provision of this Undertaking may be waived if such amendment or waiver is supported by an opinion of nationally recognized bond counsel to the effect that such amendment or waiver would not, in and of itself, cause the undertakings to violate the Rule and provided that any such amendment or modification will be done in a manner consistent with Rule 15c2-12 as then in effect.

SECTION 7. Additional Information. Nothing in this Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any notice of occurrence of a Material Event, in addition to that which is required by this Undertaking. If the Issuer chooses to include any information in any notice of occurrence of a Material Event, in addition to that which is specifically required by this Undertaking, the Issuer shall have no obligation under this Undertaking to update such information or include it in any future notice of occurrence of a Material Event.

SECTION 8. Default. (a) In the event of a failure of the Issuer to comply with any provision of this Undertaking, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Undertaking. (b) Beneficial Owners shall have the right to seek specific performance by court order to cause the Issuer to comply with its obligations to provide notices of Material Events under this Undertaking. (c) A default under this Undertaking shall not be deemed a default under the Applicable Series or the Resolutions, and the sole and exclusive remedy under this Undertaking in the event of any failure of the Issuer to comply with this Undertaking shall be an action to compel specific performance and no person or entity, including a holder of the Bonds, shall be entitled to recover monetary damages thereunder under any circumstances.

SECTION 9. Beneficiaries. This Undertaking shall inure solely to the benefit of the Issuer and the Bondholders from time to time of the Applicable Series (and solely for the purposes set forth in Section 8(b), the Beneficial Owners), and shall create no rights in any other person or entity. In the event of any conflict between the terms of the Resolutions and this Undertaking, the terms of the Resolutions shall control. This Undertaking, or any provision hereof, shall be null and void in the event that the Issuer delivers to each then existing Repository, an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which required this Undertaking are invalid, have been repealed retroactively or otherwise do not apply to the Applicable Series.

IN WITNESS WHEREOF, the Issuer has executed this Undertaking as of June 20, 2024.

CITY OF HUDSON

BY: _____
Heather S. Campbell
City Treasurer & CFO

CITY OF HUDSON
COLUMBIA COUNTY, NEW YORK
ANNUAL FINANCIAL REPORT UPDATE DOCUMENT
(UNAUDITED)
For the Year Ended December 31, 2023

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

**City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023**

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

Authorization

Article 3, Section 30 of the General Municipal Law

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

Certification Statement

I, Heather S. Campbell (LG100220000000), hereby certify that I am the Chief Financial Officer of the City of Hudson, and that the information provided in the Annual Financial Report of the City of Hudson for the fiscal year ended 12/31/2023, is true and correct to the best of my knowledge and belief.

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City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

Financial Statements

Financial information for the following funds and accounts groups are included in the Annual Financial Report filed by your government for the fiscal year ended 2023 and has been used by the OSC as the basis for preparing this Annual Financial Report for the fiscal year ended 2023:

List of funds being used

- A - General
- CM - Miscellaneous Special Revenue
- FX - Water
- G - Sewer
- H - Capital Projects
- PN - Permanent
- TC - Custodial
- K - Schedule of Non-Current Government Assets
- W - Schedule of Non-Current Government Liabilities

All amounts included in this Annual Financial Report for 2023 represent data filed by your government with OSC as reviewed and adjusted where necessary.

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$3,156,066.00	\$2,696,351.00	\$1,670,728.00
210 - Petty Cash	\$1,975.00	\$1,975.00	\$1,975.00
Total for Cash and Cash Equivalents	\$3,158,041.00	\$2,698,326.00	\$1,672,703.00
Restricted Cash and Cash Equivalents			
230 - Cash Special Reserves	-	\$482,011.00	\$550,456.00
Total for Restricted Cash and Cash Equivalents	\$0.00	\$482,011.00	\$550,456.00
Restricted Investments			
461 - Service Award Program Assets	\$218,014.00	\$177,923.00	\$204,276.00
Total for Restricted Investments	\$218,014.00	\$177,923.00	\$204,276.00
Net Taxes Receivable			
250 - Taxes Receivable Current	\$400,521.00	\$427,563.00	\$475,056.00
260 - Taxes Receivable Overdue	\$865,809.00	\$773,277.00	\$620,650.00
290 - City School Taxes Receivable	\$1,369,606.00	\$1,294,332.00	\$1,285,707.00
330 - Property Acquired For Taxes	\$453,822.00	\$453,822.00	\$453,822.00
342 - Allowance For Uncollectible Taxes	(\$1,219,320.00)	(\$1,062,205.00)	(\$925,878.00)
Total for Net Taxes Receivable	\$1,870,438.00	\$1,886,789.00	\$1,909,357.00
Net Other Receivables			

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
380 - Accounts Receivable	\$259,664.00	\$942,193.00	\$1,213,543.00
Total for Net Other Receivables	\$259,664.00	\$942,193.00	\$1,213,543.00
Due From			
391 - Due From Other Funds	\$3,563,697.00	\$3,091,236.00	\$3,777,376.00
410 - Due from State and Federal Government	\$1,054,994.00	-	-
440 - Due from Other Governments <i>Payroll tax refund due</i>	\$1,050.00	\$1,050.00	\$5,357.00
Total for Due From	\$4,619,741.00	\$3,092,286.00	\$3,782,733.00
Other Assets			
480 - Prepaid Expenses	\$46,127.00	\$40,853.00	\$10,400.00
489 - Miscellaneous Current Assets <i>HRA DEPOSIT</i>	\$3,400.00	\$3,400.00	\$3,410.00
Total for Other Assets	\$49,527.00	\$44,253.00	\$13,810.00
Total for Assets	\$10,175,425.00	\$9,323,781.00	\$9,346,878.00
Total for Assets and Deferred Outflows	\$10,175,425.00	\$9,323,781.00	\$9,346,878.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Payables			
600 - Accounts Payable	\$420,240.00	\$442,047.00	\$1,895,996.00
601 - Accrued Liabilities	\$233,491.00	\$134,664.00	\$122,738.00
730 - Guaranty & Bid Deposits	\$42,522.00	\$46,417.00	\$19,776.00
Total for Payables	\$696,253.00	\$623,128.00	\$2,038,510.00
Due to			
630 - Due To Other Funds	\$549,622.00	\$417,371.00	\$308,050.00
631 - Due To Other Governments <i>PILOTs County and School</i>	\$51,468.00	\$0.00	\$0.00
637 - Due to Employees Retirement System	\$690,906.00	\$616,174.00	\$686,946.00
661 - Due To City School Districts	\$1,509,586.00	\$1,013,736.00	\$880,723.00
Total for Due to	\$2,801,582.00	\$2,047,281.00	\$1,875,719.00
Other Liabilities			
688 - Other Liabilities <i>CITY CLERK</i>	\$13,948.00	\$361,198.00	\$428,587.00
690 - Overpayments and Clearing Account	\$7,365.00	\$10,464.00	\$26,347.00
720 - Group Insurance	\$74,093.00	\$51,682.00	-
Total for Other Liabilities	\$95,406.00	\$423,344.00	\$454,934.00
Total for Liabilities	\$3,593,241.00	\$3,093,753.00	\$4,369,163.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Deferred Inflows			
Deferred Inflows of Resources			
694 - Deferred Taxes	\$590,371.00	\$733,436.00	\$891,211.00
Total for Deferred Inflows of Resources	\$590,371.00	\$733,436.00	\$891,211.00
Total for Deferred Inflows	\$590,371.00	\$733,436.00	\$891,211.00
Fund Balance			
Nonspendable Fund Balance			
806 - Not In Spendable Form	\$2,738,425.00	\$40,853.00	\$10,400.00
Total for Nonspendable Fund Balance	\$2,738,425.00	\$40,853.00	\$10,400.00
Restricted Fund Balance			
878 - Capital Reserve	-	\$387,617.00	\$435,000.00
895 - Restricted for Service Award Program	\$218,014.00	\$177,923.00	\$204,276.00
899 - Other Restricted Fund Balance VARIOUS	\$274,010.00	\$94,394.00	\$115,457.00
Total for Restricted Fund Balance	\$492,024.00	\$659,934.00	\$754,733.00
Assigned Fund Balance			
914 - Assigned Appropriated Fund Balance	\$741,029.00	\$130,399.00	\$0.00
915 - Assigned Unappropriated Fund Balance	\$688,057.00	\$520,613.00	\$556,004.00
Total for Assigned Fund Balance	\$1,429,086.00	\$651,012.00	\$556,004.00
Unassigned Fund Balance			

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
 Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
917 - Unassigned Fund Balance	\$1,332,278.00	\$4,144,793.00	\$2,765,368.00
Total for Unassigned Fund Balance	\$1,332,278.00	\$4,144,793.00	\$2,765,368.00
Total for Fund Balance	\$5,991,813.00	\$5,496,592.00	\$4,086,505.00
Total for Liabilities, Deferred Inflows and Fund Balances	\$10,175,425.00	\$9,323,781.00	\$9,346,879.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Revenues and Other Sources			
Revenues			
Property Taxes			
1001 - Real Property Taxes	\$5,128,375.00	\$5,472,149.00	\$5,305,866.00
Total for Property Taxes	\$5,128,375.00	\$5,472,149.00	\$5,305,866.00
Property Tax Items			
1081 - Other Payments In Lieu of Taxes	\$146,164.00	\$155,001.00	\$148,691.00
1089 - Other Tax Items	\$232.00	\$1,161.00	\$2,185.00
1090 - Interest and Penalties on Real Prop Taxes	\$132,179.00	\$121,758.00	\$159,730.00
Total for Property Tax Items	\$278,575.00	\$277,920.00	\$310,606.00
Non-Property Tax Items			
1113 - Tax on Hotel Room Occupancy	\$528,762.00	\$569,249.00	\$494,846.00
1120 - Non Property Tax Distribution by County	\$2,413,462.00	\$2,403,069.00	\$2,252,425.00
1130 - Utilities Gross Receipts Tax	\$81,963.00	\$139,018.00	\$107,659.00
1170 - Franchise Tax	\$26,571.00	\$26,716.00	\$27,610.00
1190 - Interest and Penalties on Non Property Taxes	\$74,910.00	\$6,220.00	\$5,661.00
Total for Non-Property Tax Items	\$3,125,668.00	\$3,144,272.00	\$2,888,201.00
Departmental Income			
1230 - Treasurer Fees	-	\$63,339.00	\$68,185.00
1232 - Tax Collector Fees	\$22,356.00	\$23,579.00	\$24,210.00
1560 - Safety Inspection Fees	\$25,890.00	\$26,615.00	\$14,560.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
1589 - Other Public Safety Departmental Income	\$750.00	\$928.00	\$1,000.00
1721 - Parking Lots and Garages (Non Taxable)	\$205,923.00	\$160,000.00	\$146,550.00
1741 - Parking Meter Fees (Non Taxable)	\$457,160.00	\$342,925.00	\$208,230.00
2089 - Other Culture and Recreation Income	\$270,325.00	\$121,239.00	\$102,707.00
2110 - Zoning Fees	\$1,700.00	\$4,850.00	\$11,425.00
2115 - Planning Board Fees	\$4,200.00	\$3,750.00	\$3,300.00
2130 - Refuse and Garbage Charges	\$87,501.00	\$110,201.00	\$138,931.00
2801 - Interfund Revenues	-	\$0.00	-
Total for Departmental Income	\$1,075,805.00	\$857,426.00	\$719,098.00
Use of Money and Property			
2401 - Interest and Earnings	\$47,673.00	(\$17,475.00)	\$57,212.00
2410 - Rental of Real Property	\$43,257.00	\$29,556.00	\$19,630.00
2412 - Rental of Real Property Other Governments <i>charging station- columbia</i>	\$10,488.00	\$9,923.00	\$5,053.00
2450 - Commissions	\$26,590.00	\$34,870.00	\$27,606.00
Total for Use of Money and Property	\$128,008.00	\$56,874.00	\$109,501.00
Licenses and Permits			
2501 - Business and Occupational License	-	\$2,435.00	\$3,775.00
2540 - Bingo Licenses	\$30.00	\$50.00	\$30.00
2544 - Dog Licenses	\$3,158.00	\$3,600.00	\$3,484.00
2545 - Licenses Other	\$7,311.00	\$5,310.00	\$4,137.00
2555 - Building and Alteration Permits	\$406,079.00	\$194,378.00	\$182,020.00
2565 - Plumbing Permits	\$13,635.00	-	-
2590 - Permits Other	\$3,450.00	\$84,691.00	\$58,934.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Total for Licenses and Permits	\$433,663.00	\$290,464.00	\$252,380.00
Fines and Forfeitures			
2610 - Fines and Forfeited Bail	\$387,518.00	\$387,554.00	\$463,883.00
Total for Fines and Forfeitures	\$387,518.00	\$387,554.00	\$463,883.00
Sales of Property and Compensation for Loss			
2650 - Sales of Scrap and Excess Materials	\$2,216.00	\$9,826.00	\$2,208.00
2660 - Sales of Real Property	\$547,500.00	\$77,933.00	-
2665 - Sales of Equipment	\$138,570.00	-	\$14,756.00
2690 - Other Compensation For Loss	\$34,245.00	\$42,735.00	\$29,718.00
Total for Sales of Property and Compensation for Loss	\$722,531.00	\$130,494.00	\$46,682.00
Other Revenues			
2701 - Refunds of Prior Year Expenditures	\$14,578.00	\$29,072.00	\$157,510.00
2705 - Gifts and Donations	\$4,730.00	\$28,104.00	\$128,250.00
2706 - Grants From Local Governments	\$40,000.00	-	-
2710 - Premium on Obligations	\$89,028.00	-	-
2725 - VLT Tribal State Compact Moneys	-	-	\$0.00
2770 - Unclassified <i>misc</i>	\$27,060.00	\$12,210.00	\$26,308.00
Total for Other Revenues	\$175,396.00	\$69,386.00	\$312,068.00
State Aid			
3001 - State Aid Revenue Sharing	\$1,456,991.00	\$1,456,991.00	\$1,456,991.00
3005 - State Aid Mortgage Tax	\$188,206.00	\$263,467.00	\$321,947.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
3021 - State Aid Court Facilities	\$88,937.00	\$90,785.00	\$70,514.00
3089 - State Aid Other <i>ADLN Housing grant and NYS UCS subsidy</i>	\$126,986.00	\$135,143.00	\$0.00
3389 - State Aid Other Public Safety	\$23,766.00	\$45,979.00	\$12,391.00
3501 - State Aid Consolidated Highway Aid	\$284,812.00	\$69,517.00	-
3789 - State Aid Economic Assistance	-	-	\$38,759.00
Total for State Aid	\$2,169,698.00	\$2,061,882.00	\$1,900,602.00
Federal Aid			
4089 - Federal Aid Other	\$430,689.00	\$272,355.00	\$2,475.00
4389 - Federal Aid Other Public Safety	\$12,319.00	\$20,701.00	-
Total for Federal Aid	\$443,008.00	\$293,056.00	\$2,475.00
Total for Revenues	\$14,068,245.00	\$13,041,477.00	\$12,311,362.00
Total for Revenues and Other Sources	\$14,068,245.00	\$13,041,477.00	\$12,311,362.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Expenditures and Other Uses			
Expenditures			
General Government Support			
Legislative Board			
10101 - Legislative Board - Personal Services	\$96,493.00	\$102,731.00	\$80,815.00
10102 - Legislative Board - Equipment and Capital Outlay	-	\$1,495.00	\$7,053.00
10104 - Legislative Board - Contractual	\$70,290.00	\$35,199.00	\$29,587.00
Total for Legislative Board	\$166,783.00	\$139,425.00	\$117,455.00
Executive			
12101 - Mayor - Personal Services	\$260,368.00	\$217,174.00	\$148,885.00
12102 - Mayor - Equipment and Capital Outlay	\$5,008.00	-	-
12104 - Mayor - Contractual	\$8,529.00	\$26,764.00	\$61,208.00
Total for Executive	\$273,905.00	\$243,938.00	\$210,093.00
Finance			
13251 - Treasurer - Personal Services	\$184,689.00	\$170,600.00	\$174,806.00
13252 - Treasurer - Equipment and Capital Outlay	-	\$3,892.00	\$4,852.00
13254 - Treasurer - Contractual	\$119,481.00	\$85,115.00	\$75,807.00
13551 - Assessment - Personal Services	\$30,124.00	\$25,000.00	\$25,107.00
13552 - Assessment - Equipment and Capital Outlay	\$222.00	\$0.00	\$1,333.00
13554 - Assessment - Contractual	\$1,121.00	\$1,646.00	\$818.00
13644 - Expenditures on Property Acquired for Taxes - Contractual	\$6,103.00	\$3,069.00	\$672.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Total for Finance	\$341,740.00	\$289,322.00	\$283,395.00
Municipal Staff			
14101 - Clerk - Personal Services	\$182,749.00	\$159,679.00	\$179,104.00
14102 - Clerk - Equipment and Capital Outlay	\$716.00	\$2,203.00	\$800.00
14104 - Clerk - Contractual	\$11,495.00	\$10,298.00	\$8,913.00
14201 - Law - Personal Services	\$45,000.00	\$46,802.00	\$41,293.00
14204 - Law - Contractual	\$93,273.00	\$154,957.00	\$101,987.00
14604 - Records Management - Contractual	-	\$165.00	\$86.00
14804 - Public Information and Services - Contractual	\$960.00	\$1,760.00	\$480.00
14901 - Public Works Administration - Personal Services	\$80,397.00	\$79,414.00	\$74,133.00
14902 - Public Works Administration - Equipment and Capital Outlay	\$300.00	\$15,050.00	\$2,066.00
14904 - Public Works Administration - Contractual	\$10,334.00	\$10,754.00	\$8,091.00
Total for Municipal Staff	\$425,224.00	\$481,082.00	\$416,953.00
Shared Services			
16201 - Operation of Plant - Personal Services	\$81,047.00	\$77,886.00	\$76,810.00
16202 - Operation of Plant - Equipment and Capital Outlay	-	\$500.00	\$370.00
16204 - Operation of Plant - Contractual	\$80,397.00	\$97,960.00	\$90,698.00
Total for Shared Services	\$161,444.00	\$176,346.00	\$167,878.00
Special Items			
19104 - Unallocated Insurance - Contractual	\$115,768.00	\$105,322.00	\$110,001.00
19204 - Municipal Association Dues - Contractual	\$2,941.00	\$3,882.00	\$3,882.00
19304 - Judgements and Claims - Contractual	\$30.00	\$0.00	\$5,000.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
19894 - General Government Support, Other - Contractual <i>other</i>	\$11,375.00	\$4,687.00	\$5,145.00
Total for Special Items	\$130,114.00	\$113,891.00	\$124,028.00
Total for General Government Support	\$1,499,210.00	\$1,444,004.00	\$1,319,802.00
Public Safety			
Administration			
30202 - Public Safety Communication Systems - Equipment and Capital Outlay	\$1,623.00	-	\$0.00
30204 - Public Safety Communication Systems - Contractual	\$6,044.00	\$3,511.00	\$5,294.00
Total for Administration	\$7,667.00	\$3,511.00	\$5,294.00
Law Enforcement			
31201 - Police - Personal Services	\$3,163,526.00	\$3,042,042.00	\$2,698,557.00
31202 - Police - Equipment and Capital Outlay	\$154,061.00	\$154,878.00	\$19,361.00
31204 - Police - Contractual	\$265,413.00	\$210,721.00	\$178,264.00
Total for Law Enforcement	\$3,583,000.00	\$3,407,641.00	\$2,896,182.00
Traffic Control			
33201 - On Street Parking - Personal Services	\$115,261.00	\$103,311.00	\$110,954.00
33202 - On Street Parking - Equipment and Capital Outlay	\$12,237.00	\$5,194.00	\$4,549.00
33204 - On Street Parking - Contractual	\$58,009.00	\$60,191.00	\$72,007.00
Total for Traffic Control	\$185,507.00	\$168,696.00	\$187,510.00
Fire Protection			

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
34101 - Fire Protection - Personal Services	\$15,280.00	\$15,995.00	\$13,353.00
34102 - Fire Protection - Equipment and Capital Outlay	\$187,167.00	\$70,498.00	\$71,042.00
34104 - Fire Protection - Contractual	\$184,830.00	\$185,977.00	\$241,150.00
Total for Fire Protection	\$387,277.00	\$272,470.00	\$325,545.00
Animal Control			
35104 - Dog Control - Contractual	\$8,551.00	\$8,952.00	\$9,420.00
Total for Animal Control	\$8,551.00	\$8,952.00	\$9,420.00
Other Public Safety			
36201 - Safety Inspection - Personal Services	\$119,479.00	\$115,906.00	\$119,098.00
36202 - Safety Inspection - Equipment and Capital Outlay	\$884.00	\$33,513.00	\$520.00
36204 - Safety Inspection - Contractual	\$38,661.00	\$35,302.00	\$23,806.00
39894 - Public Safety, Other - Contractual <i>firehouse audit and fees</i>	\$105,500.00	\$89,500.00	\$67,716.00
Total for Other Public Safety	\$264,524.00	\$274,221.00	\$211,140.00
Total for Public Safety	\$4,436,526.00	\$4,135,491.00	\$3,635,091.00
Health			
Public Health Program			
40201 - Registrar of Vital Statistics - Personal Services	\$7,582.00	\$7,499.00	\$8,047.00
40204 - Registrar of Vital Statistics - Contractual	\$1,226.00	\$1,401.00	\$1,442.00
Total for Public Health Program	\$8,808.00	\$8,900.00	\$9,489.00
Total for Health	\$8,808.00	\$8,900.00	\$9,489.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Transportation			
Highway			
51101 - Maintenance of Roads - Personal Services	\$654,960.00	\$578,004.00	\$603,092.00
51102 - Maintenance of Roads - Equipment and Capital Outlay	\$14,000.00	\$6,175.00	-
51104 - Maintenance of Roads - Contractual	\$277,061.00	\$247,503.00	\$250,681.00
51122 - Permanent Improvements Highway - Equipment and Capital Outlay	\$284,812.00	\$69,517.00	\$616,092.00
51421 - Snow Removal - Personal Services	\$11,486.00	\$35,118.00	\$23,795.00
51424 - Snow Removal - Contractual	\$72,872.00	\$66,766.00	\$56,546.00
51824 - Street Lighting - Contractual	\$214,946.00	\$228,728.00	\$215,640.00
Total for Highway	\$1,530,137.00	\$1,231,811.00	\$1,765,846.00
Total for Transportation	\$1,530,137.00	\$1,231,811.00	\$1,765,846.00
Economic Assistance and Opportunity			
Economic Opportunity and Development			
64104 - Publicity - Contractual	-	\$53,400.00	\$162,544.00
65104 - Veterans Service - Contractual	\$3,888.00	\$4,296.00	\$3,847.00
Total for Economic Opportunity and Development	\$3,888.00	\$57,696.00	\$166,391.00
Total for Economic Assistance and Opportunity	\$3,888.00	\$57,696.00	\$166,391.00
Culture and Recreation			
Recreation			
71101 - Parks - Personal Services	\$107,185.00	\$101,404.00	\$81,604.00

City of Hudson
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For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
71102 - Parks - Equipment and Capital Outlay	\$661.00	\$4,202.00	\$0.00
71104 - Parks - Contractual	\$42,537.00	\$25,487.00	\$13,515.00
73101 - Youth Programs - Personal Services	\$562,443.00	\$405,663.00	\$449,166.00
73102 - Youth Programs - Equipment and Capital Outlay	\$23,172.00	\$53,481.00	\$14,112.00
73104 - Youth Programs - Contractual	\$172,399.00	\$113,073.00	\$100,386.00
Total for Recreation	\$908,397.00	\$703,310.00	\$658,783.00
Culture			
74104 - Library - Contractual	\$350,000.00	\$250,000.00	\$250,000.00
76201 - Adult Recreation - Personal Services	\$48,652.00	\$39,913.00	\$15,281.00
76204 - Adult Recreation - Contractual	\$28,911.00	\$36,293.00	\$41,672.00
Total for Culture	\$427,563.00	\$326,206.00	\$306,953.00
Total for Culture and Recreation	\$1,335,960.00	\$1,029,516.00	\$965,736.00
Home and Community Services			
General Environment			
80101 - Zoning - Personal Services	\$304.00	\$15.00	\$39.00
80104 - Zoning - Contractual	\$289.00	\$375.00	\$764.00
80201 - Planning and Surveys - Personal Services	\$1,815.00	\$158.00	\$1,250.00
80204 - Planning and Surveys - Contractual	\$12,305.00	\$5,919.00	\$9,115.00
Total for General Environment	\$14,713.00	\$6,467.00	\$11,168.00
Sanitation			
81601 - Refuse and Garbage - Personal Services	\$129,912.00	\$151,703.00	\$160,724.00

City of Hudson
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For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
81604 - Refuse and Garbage - Contractual	\$118,287.00	\$119,177.00	\$126,562.00
81701 - Street Cleaning - Personal Services	\$11,738.00	\$12,513.00	\$16,700.00
81704 - Street Cleaning - Contractual	\$27,414.00	\$30,998.00	\$19,101.00
Total for Sanitation	\$287,351.00	\$314,391.00	\$323,087.00
Community Development			
86894 - Agencies, Other - Contractual	-	\$24,847.00	\$35,188.00
Total for Community Development	\$0.00	\$24,847.00	\$35,188.00
Natural Resources			
87101 - Conservation - Personal Services	\$383.00	\$71.00	-
87104 - Conservation - Contractual	\$17,154.00	\$8,804.00	\$11,061.00
Total for Natural Resources	\$17,537.00	\$8,875.00	\$11,061.00
Special Services			
89894 - Home and Community Services, Other - Contractual <i>housing</i>	\$27,236.00	\$22,242.00	\$1,974.00
Total for Special Services	\$27,236.00	\$22,242.00	\$1,974.00
Total for Home and Community Services	\$346,837.00	\$376,822.00	\$382,478.00
Employee Benefits			
Employee Benefits			
90108 - State Retirement System - Employee Benefits	\$249,942.00	\$236,014.00	\$283,763.00
90158 - Police Retirement - Employee Benefits	\$646,356.00	\$609,143.00	\$612,623.00
90258 - Local Pension Fund - Employee Benefits	\$23,527.00	\$16,895.00	\$32,452.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
90308 - Social Security - Employee Benefits	\$423,467.00	\$391,277.00	\$373,799.00
90408 - Workers' Compensation - Employee Benefits	\$159,638.00	\$165,404.00	\$157,554.00
90608 - Hospital, Medical and Dental Insurance - Employee Benefits	\$1,691,529.00	\$1,491,505.00	\$1,435,546.00
Total for Employee Benefits	\$3,194,459.00	\$2,910,238.00	\$2,895,737.00
Total for Employee Benefits	\$3,194,459.00	\$2,910,238.00	\$2,895,737.00
Debt Service			
Debt Service			
97106 - Serial Bonds - Debt Principal	\$278,573.00	\$269,355.00	\$265,614.00
97107 - Serial Bonds - Debt Interest	\$122,139.00	\$137,252.00	\$137,998.00
97306 - Bond Anticipation Notes - Debt Principal	\$110,000.00	-	\$0.00
97307 - Bond Anticipation Notes - Debt Interest	\$210,679.00	-	\$0.00
97886 - Leases - Debt Principal	\$130,000.00	-	-
97896 - Long Term Debt, Other (Specify) - Debt Principal	-	\$130,000.00	\$130,000.00
Total for Debt Service	\$851,391.00	\$536,607.00	\$533,612.00
Total for Debt Service	\$851,391.00	\$536,607.00	\$533,612.00
Total for Expenditures	\$13,207,216.00	\$11,731,085.00	\$11,674,182.00
Other Uses			
Interfund Transfers			
Interfund Transfers			

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
 Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
99019 - Transfers to Other Funds - Interfund Transfer <i>cemetery</i>	\$365,616.00	\$345,000.00	\$320,000.00
99509 - Transfers to Capital Projects Fund - Interfund Transfer	\$436,102.00	\$279,425.00	\$517,416.00
Total for Interfund Transfers	\$801,718.00	\$624,425.00	\$837,416.00
Total for Interfund Transfers	\$801,718.00	\$624,425.00	\$837,416.00
Total for Other Uses	\$801,718.00	\$624,425.00	\$837,416.00
Total for Expenditures and Other Uses	\$14,008,934.00	\$12,355,510.00	\$12,511,598.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Changes in Fund Balance**

	12/31/2023	12/31/2022	12/31/2021
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	\$5,496,592.00	\$4,086,505.00	\$4,235,797.00
8012 - Prior Period Adjustment OR Change in Accounting Principle - Increase in Fund Balance	\$447,544.00	\$724,120.00	\$50,944.00
<i>auditor adjustment</i>			
8015 - Prior Period Adjustment OR Change in Accounting Principle - Decrease in Fund Balance	\$11,635.00	-	-
<i>auditor adjustment</i>			
8022 - Restated Fund Balance - Beginning of Year	\$5,932,501.00	\$4,810,625.00	\$4,286,741.00
Add Revenues and Other Sources	\$14,068,245.00	\$13,041,477.00	\$12,311,362.00
Deduct Expenditures and Other Uses	\$14,008,934.00	\$12,355,510.00	\$12,511,598.00
8029 - Fund Balance - End of Year	\$5,991,812.00	\$5,496,592.00	\$4,086,505.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Adopted Budget Summary**

	12/31/2024	12/31/2023	12/31/2022
Estimated Revenues and Other Sources			
Estimated Revenue			
1049 - Est Rev - Property Taxes	\$5,663,545.00	\$5,452,273.00	\$5,452,273.00
1099 - Est Rev - Property Tax Items	\$350,000.00	\$502,010.00	\$504,758.00
1199 - Est Rev - Non-Property Tax Items	\$3,352,550.00	\$2,984,000.00	\$2,720,000.00
1299 - Est Rev - Departmental Income	-	\$390,500.00	\$495,500.00
2199 - Est Rev - Departmental Income	\$364,200.00	-	-
2499 - Est Rev - Use of Money and Property	\$112,991.00	\$47,700.00	\$59,200.00
2599 - Est Rev - Licenses and Permits	\$798,175.00	\$634,550.00	\$231,650.00
2649 - Est Rev - Fines and Forfeitures	\$445,000.00	\$415,000.00	\$440,000.00
2699 - Est Rev - Sales of Property and Compensation for Loss	\$643,000.00	\$359,000.00	\$271,000.00
2799 - Est Rev - Other Revenues	\$89,175.00	\$31,750.00	\$157,407.00
2801 - Est Rev - Interfund Revenues	-	-	\$1,500.00
3099 - Est Rev - State Aid	\$2,882,651.00	\$2,107,782.00	\$2,093,194.00
4099 - Est Rev - Federal Aid	\$19,840.00	\$367,777.00	\$150,962.00
Total for Estimated Revenue	\$14,721,127.00	\$13,292,342.00	\$12,577,444.00
Estimated Other Sources			
599 - Appropriated Fund Balance	\$741,029.00	\$130,399.00	-
Total for Estimated Other Sources	\$741,029.00	\$130,399.00	\$0.00
Total for Estimated Revenues and Other Sources	\$15,462,156.00	\$13,422,741.00	\$12,577,444.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**A - General
Adopted Budget Summary**

	12/31/2024	12/31/2023	12/31/2022
Estimated Appropriations and Other Uses			
Estimated Appropriations			
1999 - App - General Government Support	\$1,943,458.00	\$2,083,558.00	\$1,705,846.00
3999 - App - Public Safety	\$4,324,959.00	\$4,248,803.00	\$4,054,648.00
4999 - App - Health	\$9,298.00	\$7,474.00	\$8,662.00
5999 - App - Transportation	\$2,221,506.00	\$1,373,128.00	\$1,305,563.00
6999 - App - Economic Assistance and Opportunity	\$4,000.00	\$4,400.00	\$34,000.00
7999 - App - Culture and Recreation	\$1,360,898.00	\$1,126,908.00	\$1,231,941.00
8999 - App - Home and Community Services	\$431,389.00	\$387,780.00	\$360,537.00
9199 - App - Employee Benefits	\$3,566,006.00	\$3,126,904.00	\$3,001,754.00
9899 - App - Debt Service	\$807,900.00	\$698,170.00	\$536,279.00
Total for Estimated Appropriations	\$14,669,414.00	\$13,057,125.00	\$12,239,230.00
Estimated Other Uses			
9999 - App - Interfund Transfers	\$792,742.00	\$365,616.00	\$338,214.00
Total for Estimated Other Uses	\$792,742.00	\$365,616.00	\$338,214.00
Total for Estimated Appropriations and Other Uses	\$15,462,156.00	\$13,422,741.00	\$12,577,444.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**CM - Miscellaneous Special Revenue
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$43,649.00	\$9,934.00	\$43,470.00
210 - Petty Cash	\$50.00	\$50.00	\$50.00
Total for Cash and Cash Equivalents	\$43,699.00	\$9,984.00	\$43,520.00
Restricted Cash and Cash Equivalents			
230 - Cash Special Reserves	\$17,410.00	-	-
Total for Restricted Cash and Cash Equivalents	\$17,410.00	\$0.00	\$0.00
Due From			
391 - Due From Other Funds	\$2,564.00	\$36,770.00	\$44,000.00
Total for Due From	\$2,564.00	\$36,770.00	\$44,000.00
Other Assets			
480 - Prepaid Expenses	\$10,503.00	\$4,819.00	\$577.00
Total for Other Assets	\$10,503.00	\$4,819.00	\$577.00
Total for Assets	\$74,176.00	\$51,573.00	\$88,097.00
Total for Assets and Deferred Outflows	\$74,176.00	\$51,573.00	\$88,097.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**CM - Miscellaneous Special Revenue
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Payables			
600 - Accounts Payable	\$12,283.00	\$17,401.00	\$2,943.00
601 - Accrued Liabilities	\$7,133.00	\$7,521.00	\$7,242.00
Total for Payables	\$19,416.00	\$24,922.00	\$10,185.00
Due to			
630 - Due To Other Funds	\$9,507.00	\$12,228.00	\$33,161.00
637 - Due to Employees Retirement System	\$18,913.00	\$14,332.00	\$19,118.00
Total for Due to	\$28,420.00	\$26,560.00	\$52,279.00
Total for Liabilities	\$47,836.00	\$51,482.00	\$62,464.00
Fund Balance			
Nonspendable Fund Balance			
806 - Not In Spendable Form	\$10,503.00	\$4,819.00	\$577.00
Total for Nonspendable Fund Balance	\$10,503.00	\$4,819.00	\$577.00
Restricted Fund Balance			
878 - Capital Reserve	\$17,410.00	-	-
Total for Restricted Fund Balance	\$17,410.00	\$0.00	\$0.00
Assigned Fund Balance			

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**CM - Miscellaneous Special Revenue
 Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
915 - Assigned Unappropriated Fund Balance	-	\$796.00	\$25,056.00
Total for Assigned Fund Balance	\$0.00	\$796.00	\$25,056.00
Unassigned Fund Balance			
917 - Unassigned Fund Balance	(\$1,574.00)	(\$5,524.00)	-
Total for Unassigned Fund Balance	(\$1,574.00)	(\$5,524.00)	\$0.00
Total for Fund Balance	\$26,339.00	\$91.00	\$25,633.00
Total for Liabilities, Deferred Inflows and Fund Balances	\$74,175.00	\$51,573.00	\$88,097.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**CM - Miscellaneous Special Revenue
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Revenues and Other Sources			
Revenues			
Departmental Income			
2189 - Other Home and Community Services Income	\$107,683.00	\$105,624.00	\$161,985.00
Total for Departmental Income	\$107,683.00	\$105,624.00	\$161,985.00
Use of Money and Property			
2401 - Interest and Earnings	\$6.00	\$5.00	\$55.00
2410 - Rental of Real Property	\$11,700.00	\$11,700.00	\$16,700.00
Total for Use of Money and Property	\$11,706.00	\$11,705.00	\$16,755.00
Other Revenues			
2705 - Gifts and Donations	\$100.00	-	-
2770 - Unclassified <i>misc</i>	\$2,086.00	\$4,645.00	\$4,050.00
Total for Other Revenues	\$2,186.00	\$4,645.00	\$4,050.00
Total for Revenues	\$121,575.00	\$121,974.00	\$182,790.00
Other Sources			
Operating Transfers			
5031 - Interfund Transfers	\$366,409.00	\$345,790.00	\$320,784.00
Total for Operating Transfers	\$366,409.00	\$345,790.00	\$320,784.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**CM - Miscellaneous Special Revenue
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Total for Other Sources	\$366,409.00	\$345,790.00	\$320,784.00
Total for Revenues and Other Sources	\$487,984.00	\$467,764.00	\$503,574.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**CM - Miscellaneous Special Revenue
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Expenditures and Other Uses			
Expenditures			
General Government Support			
Special Items			
19104 - Unallocated Insurance - Contractual	\$23,002.00	\$20,871.00	\$21,511.00
Total for Special Items	\$23,002.00	\$20,871.00	\$21,511.00
Total for General Government Support	\$23,002.00	\$20,871.00	\$21,511.00
Home and Community Services			
Special Services			
89891 - Home and Community Services, Other - Personal Services <i>cemetery personal service</i>	\$237,587.00	\$241,304.00	\$234,405.00
89892 - Home and Community Services, Other - Equipment and Capital Outlay <i>cemetery equipment</i>	\$13,156.00	\$37,478.00	\$8,055.00
89894 - Home and Community Services, Other - Contractual <i>cemetery contractual</i>	\$71,727.00	\$57,924.00	\$46,413.00
Total for Special Services	\$322,470.00	\$336,706.00	\$288,873.00
Total for Home and Community Services	\$322,470.00	\$336,706.00	\$288,873.00
Employee Benefits			
Employee Benefits			

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**CM - Miscellaneous Special Revenue
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
90108 - State Retirement System - Employee Benefits	\$23,691.00	\$20,704.00	\$25,539.00
90308 - Social Security - Employee Benefits	\$17,776.00	\$17,969.00	\$17,455.00
90408 - Workers' Compensation - Employee Benefits	\$10,642.00	\$11,027.00	\$10,504.00
90508 - Unemployment Insurance - Employee Benefits	\$865.00	-	-
90608 - Hospital, Medical and Dental Insurance - Employee Benefits	\$80,599.00	\$86,028.00	\$85,533.00
Total for Employee Benefits	\$133,573.00	\$135,728.00	\$139,031.00
Total for Employee Benefits	\$133,573.00	\$135,728.00	\$139,031.00
Total for Expenditures	\$479,045.00	\$493,305.00	\$449,415.00
Total for Expenditures and Other Uses	\$479,045.00	\$493,305.00	\$449,415.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**CM - Miscellaneous Special Revenue
Changes in Fund Balance**

	12/31/2023	12/31/2022	12/31/2021
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	\$91.00	\$25,633.00	(\$28,529.00)
8012 - Prior Period Adjustment OR Change in Accounting Principle - Increase in Fund Balance	\$17,309.00	-	-
<i>PPA- auditor</i>			
8015 - Prior Period Adjustment OR Change in Accounting Principle - Decrease in Fund Balance	-	\$1.00	(\$3.00)
8022 - Restated Fund Balance - Beginning of Year	\$17,400.00	\$25,632.00	(\$28,526.00)
Add Revenues and Other Sources	\$487,984.00	\$467,764.00	\$503,574.00
Deduct Expenditures and Other Uses	\$479,045.00	\$493,305.00	\$449,415.00
8029 - Fund Balance - End of Year	\$26,339.00	\$91.00	\$25,633.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**FX - Water
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$52,332.00	\$83,570.00	\$311,945.00
Total for Cash and Cash Equivalents	\$52,332.00	\$83,570.00	\$311,945.00
Net Other Receivables			
350 - Water Rents Receivable	\$344,694.00	\$322,062.00	\$312,083.00
454 - Leases Receivable	\$2,056,927.00	-	-
Total for Net Other Receivables	\$2,401,621.00	\$322,062.00	\$312,083.00
Due From			
391 - Due From Other Funds	\$96,042.00	\$82,957.00	\$78,388.00
Total for Due From	\$96,042.00	\$82,957.00	\$78,388.00
Other Assets			
480 - Prepaid Expenses	\$8,613.00	\$3.00	-
Total for Other Assets	\$8,613.00	\$3.00	\$0.00
Total for Assets	\$2,558,608.00	\$488,592.00	\$702,416.00
Total for Assets and Deferred Outflows	\$2,558,608.00	\$488,592.00	\$702,416.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**FX - Water
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Payables			
600 - Accounts Payable	\$60,943.00	\$74,348.00	\$21,445.00
601 - Accrued Liabilities	\$16,563.00	\$13,449.00	\$11,821.00
Total for Payables	\$77,506.00	\$87,797.00	\$33,266.00
Due to			
630 - Due To Other Funds	\$143,615.00	\$84,495.00	\$235,218.00
637 - Due to Employees Retirement System	\$25,907.00	\$23,005.00	\$31,573.00
Total for Due to	\$169,522.00	\$107,500.00	\$266,791.00
Other Liabilities			
690 - Overpayments and Clearing Account	\$323.00	\$47.00	\$47.00
Total for Other Liabilities	\$323.00	\$47.00	\$47.00
Total for Liabilities	\$247,351.00	\$195,344.00	\$300,104.00
Deferred Inflows			
Deferred Inflows of Resources			
691 - Deferred Inflow Of Resources	\$2,056,927.00	-	-
Total for Deferred Inflows of Resources	\$2,056,927.00	\$0.00	\$0.00
Total for Deferred Inflows	\$2,056,927.00	\$0.00	\$0.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**FX - Water
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Fund Balance			
Nonspendable Fund Balance			
806 - Not In Spendable Form	\$8,613.00	\$3.00	-
Total for Nonspendable Fund Balance	\$8,613.00	\$3.00	\$0.00
Assigned Fund Balance			
915 - Assigned Unappropriated Fund Balance	\$245,717.00	\$293,245.00	\$402,312.00
Total for Assigned Fund Balance	\$245,717.00	\$293,245.00	\$402,312.00
Total for Fund Balance	\$254,330.00	\$293,248.00	\$402,312.00
Total for Liabilities, Deferred Inflows and Fund Balances	\$2,558,608.00	\$488,592.00	\$702,416.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**FX - Water
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Revenues and Other Sources			
Revenues			
Departmental Income			
2140 - Metered Water Sales	\$194,758.00	\$190,255.00	\$173,843.00
2142 - Unmetered Water Sales	\$980,165.00	\$907,298.00	\$902,948.00
2144 - Water Service Charges	\$850.00	\$350.00	\$100.00
2148 - Interest and Penalties on Water Rents	\$22,436.00	\$19,538.00	\$17,706.00
Total for Departmental Income	\$1,198,209.00	\$1,117,441.00	\$1,094,597.00
Use of Money and Property			
2401 - Interest and Earnings	\$253.00	\$391.00	\$495.00
2410 - Rental of Real Property	\$200,000.00	\$200,000.00	\$200,000.00
Total for Use of Money and Property	\$200,253.00	\$200,391.00	\$200,495.00
Licenses and Permits			
2590 - Permits Other	\$1,500.00	-	-
Total for Licenses and Permits	\$1,500.00	\$0.00	\$0.00
Other Revenues			
2701 - Refunds of Prior Year Expenditures	\$6,118.00	-	-
2710 - Premium on Obligations	\$8,483.00	-	-
Total for Other Revenues	\$14,601.00	\$0.00	\$0.00
Total for Revenues	\$1,414,563.00	\$1,317,832.00	\$1,295,092.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**FX - Water
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Total for Revenues and Other Sources	\$1,414,563.00	\$1,317,832.00	\$1,295,092.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**FX - Water
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Expenditures and Other Uses			
Expenditures			
General Government Support			
Special Items			
19104 - Unallocated Insurance - Contractual	\$46,004.00	\$42,278.00	\$43,021.00
19504 - Taxes and Assessments on Municipal Property - Contractual	\$47,489.00	\$51,596.00	\$57,057.00
Total for Special Items	\$93,493.00	\$93,874.00	\$100,078.00
Total for General Government Support	\$93,493.00	\$93,874.00	\$100,078.00
Home and Community Services			
Water			
83101 - Water Administration - Personal Services	\$66,420.00	\$65,974.00	\$59,804.00
83102 - Water Administration - Equipment and Capital Outlay	-	\$300.00	-
83104 - Water Administration - Contractual	\$32,142.00	\$45,396.00	\$22,685.00
83202 - Water Source of Supply, Power and Pumping - Equipment and Capital Outlay	\$5,172.00	\$13,633.00	\$5,884.00
83204 - Water Source of Supply, Power and Pumping - Contractual	\$15,886.00	\$44,208.00	\$27,984.00
83301 - Water Purification - Personal Services	\$339,672.00	\$307,555.00	\$264,046.00
83302 - Water Purification - Equipment and Capital Outlay	\$17,323.00	\$41,429.00	\$20,863.00
83304 - Water Purification - Contractual	\$338,583.00	\$260,765.00	\$206,999.00
83402 - Water Transportation and Distribution - Equipment and Capital Outlay	-	-	\$3,000.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**FX - Water
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
83404 - Water Transportation and Distribution - Contractual	\$53,397.00	\$84,111.00	\$64,576.00
Total for Water	\$868,595.00	\$863,371.00	\$675,841.00
Total for Home and Community Services	\$868,595.00	\$863,371.00	\$675,841.00
Employee Benefits			
Employee Benefits			
90108 - State Retirement System - Employee Benefits	\$33,575.00	\$33,530.00	\$41,881.00
90308 - Social Security - Employee Benefits	\$29,583.00	\$26,961.00	\$23,239.00
90408 - Workers' Compensation - Employee Benefits	\$21,285.00	\$22,054.00	\$21,007.00
90608 - Hospital, Medical and Dental Insurance - Employee Benefits	\$107,494.00	\$104,782.00	\$99,505.00
Total for Employee Benefits	\$191,937.00	\$187,327.00	\$185,632.00
Total for Employee Benefits	\$191,937.00	\$187,327.00	\$185,632.00
Debt Service			
Debt Service			
97106 - Serial Bonds - Debt Principal	\$285,253.00	\$281,444.00	\$277,636.00
97107 - Serial Bonds - Debt Interest	-	\$880.00	-
97306 - Bond Anticipation Notes - Debt Principal	\$5,000.00	-	-
97307 - Bond Anticipation Notes - Debt Interest	\$11,633.00	-	-
Total for Debt Service	\$301,886.00	\$282,324.00	\$277,636.00
Total for Debt Service	\$301,886.00	\$282,324.00	\$277,636.00

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**FX - Water
 Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Total for Expenditures	\$1,455,911.00	\$1,426,896.00	\$1,239,187.00
Total for Expenditures and Other Uses	\$1,455,911.00	\$1,426,896.00	\$1,239,187.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**FX - Water
Changes in Fund Balance**

	12/31/2023	12/31/2022	12/31/2021
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	\$293,248.00	\$402,312.00	\$346,410.00
8012 - Prior Period Adjustment OR Change in Accounting Principle - Increase in Fund Balance	\$2,430.00	-	-
<i>Auditor adjustments</i>			
8015 - Prior Period Adjustment OR Change in Accounting Principle - Decrease in Fund Balance	-	-	\$3.00
8022 - Restated Fund Balance - Beginning of Year	\$295,678.00	\$402,312.00	\$346,407.00
Add Revenues and Other Sources	\$1,414,563.00	\$1,317,832.00	\$1,295,092.00
Deduct Expenditures and Other Uses	\$1,455,911.00	\$1,426,896.00	\$1,239,187.00
8029 - Fund Balance - End of Year	\$254,330.00	\$293,248.00	\$402,312.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**FX - Water
Adopted Budget Summary**

	12/31/2024	12/31/2023	12/31/2022
Estimated Revenues and Other Sources			
Estimated Revenue			
1299 - Est Rev - Departmental Income	-	\$1,123,114.00	\$1,089,250.00
2199 - Est Rev - Departmental Income	\$1,382,592.00	-	-
2499 - Est Rev - Use of Money and Property	\$200,400.00	\$200,400.00	\$200,400.00
2799 - Est Rev - Other Revenues	-	\$0.00	\$0.00
Total for Estimated Revenue	\$1,582,992.00	\$1,323,514.00	\$1,289,650.00
Estimated Other Sources			
599 - Appropriated Fund Balance	-	\$0.00	-
Total for Estimated Other Sources	\$0.00	\$0.00	\$0.00
Total for Estimated Revenues and Other Sources	\$1,582,992.00	\$1,323,514.00	\$1,289,650.00

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**FX - Water
 Adopted Budget Summary**

	12/31/2024	12/31/2023	12/31/2022
Estimated Appropriations and Other Uses			
Estimated Appropriations			
1999 - App - General Government Support	\$108,411.00	\$98,420.00	\$104,173.00
8999 - App - Home and Community Services	\$946,939.00	\$730,035.00	\$713,643.00
9199 - App - Employee Benefits	\$219,742.00	\$200,560.00	\$189,560.00
9899 - App - Debt Service	\$307,900.00	\$294,499.00	\$282,274.00
Total for Estimated Appropriations	\$1,582,992.00	\$1,323,514.00	\$1,289,650.00
Total for Estimated Appropriations and Other Uses	\$1,582,992.00	\$1,323,514.00	\$1,289,650.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**G - Sewer
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$166,744.00	\$203,851.00	\$492,556.00
Total for Cash and Cash Equivalents	\$166,744.00	\$203,851.00	\$492,556.00
Net Other Receivables			
360 - Sewer Rents Receivable	\$278,297.00	\$229,517.00	\$222,848.00
380 - Accounts Receivable	\$100,508.00	\$42,884.00	\$79,977.00
Total for Net Other Receivables	\$378,805.00	\$272,401.00	\$302,825.00
Due From			
391 - Due From Other Funds	\$79,519.00	\$57,393.00	\$56,048.00
Total for Due From	\$79,519.00	\$57,393.00	\$56,048.00
Other Assets			
480 - Prepaid Expenses	\$8,876.00	\$6,034.00	\$1,787.00
Total for Other Assets	\$8,876.00	\$6,034.00	\$1,787.00
Total for Assets	\$633,944.00	\$539,679.00	\$853,216.00
Total for Assets and Deferred Outflows	\$633,944.00	\$539,679.00	\$853,216.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**G - Sewer
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Payables			
600 - Accounts Payable	\$100,338.00	\$96,180.00	\$71,164.00
601 - Accrued Liabilities	\$8,203.00	\$9,090.00	\$7,046.00
Total for Payables	\$108,541.00	\$105,270.00	\$78,210.00
Due to			
630 - Due To Other Funds	\$246,616.00	\$171,957.00	\$448,453.00
637 - Due to Employees Retirement System	\$12,454.00	\$13,939.00	-
Total for Due to	\$259,070.00	\$185,896.00	\$448,453.00
Other Liabilities			
690 - Overpayments and Clearing Account	\$255.00	\$48.00	\$48.00
Total for Other Liabilities	\$255.00	\$48.00	\$48.00
Total for Liabilities	\$367,866.00	\$291,214.00	\$526,711.00
Fund Balance			
Nonspendable Fund Balance			
806 - Not In Spendable Form	\$8,876.00	\$6,034.00	\$1,787.00
Total for Nonspendable Fund Balance	\$8,876.00	\$6,034.00	\$1,787.00
Assigned Fund Balance			

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**G - Sewer
 Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
915 - Assigned Unappropriated Fund Balance	\$257,202.00	\$242,431.00	\$324,719.00
Total for Assigned Fund Balance	\$257,202.00	\$242,431.00	\$324,719.00
Total for Fund Balance	\$266,078.00	\$248,465.00	\$326,506.00
Total for Liabilities, Deferred Inflows and Fund Balances	\$633,944.00	\$539,679.00	\$853,217.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**G - Sewer
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Revenues and Other Sources			
Revenues			
Departmental Income			
2120 - Sewer Rents	\$948,249.00	\$784,643.00	\$769,188.00
2128 - Interest and Penalties on Sewer Accounts	\$17,081.00	\$13,730.00	\$13,332.00
Total for Departmental Income	\$965,330.00	\$798,373.00	\$782,520.00
Use of Money and Property			
2401 - Interest and Earnings	\$207.00	\$319.00	\$554.00
Total for Use of Money and Property	\$207.00	\$319.00	\$554.00
Other Revenues			
2701 - Refunds of Prior Year Expenditures	\$21.00	-	-
2710 - Premium on Obligations	\$23,183.00	-	-
2770 - Unclassified <i>Leachate</i>	\$441,458.00	\$407,359.00	\$493,323.00
Total for Other Revenues	\$464,662.00	\$407,359.00	\$493,323.00
Total for Revenues	\$1,430,199.00	\$1,206,051.00	\$1,276,397.00
Total for Revenues and Other Sources	\$1,430,199.00	\$1,206,051.00	\$1,276,397.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**G - Sewer
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Expenditures and Other Uses			
Expenditures			
General Government Support			
Special Items			
19104 - Unallocated Insurance - Contractual	\$46,004.00	\$41,743.00	\$43,021.00
Total for Special Items	\$46,004.00	\$41,743.00	\$43,021.00
Total for General Government Support	\$46,004.00	\$41,743.00	\$43,021.00
Home and Community Services			
Sewage			
81101 - Sewer Administration - Personal Services	\$66,421.00	\$65,974.00	\$59,804.00
81102 - Sewer Administration - Equipment and Capital Outlay	\$600.00	\$500.00	-
81104 - Sewer Administration - Contractual	\$45,298.00	\$32,154.00	\$69,007.00
81204 - Sanitary Sewers - Contractual	\$131,184.00	\$54,613.00	\$75,005.00
81301 - Sewage Treatment and Disposal - Personal Services	\$173,730.00	\$153,438.00	\$136,535.00
81302 - Sewage Treatment and Disposal - Equipment and Capital Outlay	\$109,005.00	\$54,981.00	\$10,634.00
81304 - Sewage Treatment and Disposal - Contractual	\$502,508.00	\$594,505.00	\$613,819.00
Total for Sewage	\$1,028,746.00	\$956,165.00	\$964,804.00
Total for Home and Community Services	\$1,028,746.00	\$956,165.00	\$964,804.00
Employee Benefits			

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**G - Sewer
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Employee Benefits			
90108 - State Retirement System - Employee Benefits	\$17,101.00	\$20,215.00	\$22,968.00
90308 - Social Security - Employee Benefits	\$18,693.00	\$15,910.00	\$14,646.00
90408 - Workers' Compensation - Employee Benefits	\$21,285.00	\$22,054.00	\$21,007.00
90608 - Hospital, Medical and Dental Insurance - Employee Benefits	\$52,342.00	\$61,010.00	\$66,043.00
Total for Employee Benefits	\$109,421.00	\$119,189.00	\$124,664.00
Total for Employee Benefits	\$109,421.00	\$119,189.00	\$124,664.00
Debt Service			
Debt Service			
97106 - Serial Bonds - Debt Principal	\$165,700.00	\$165,700.00	\$165,700.00
97107 - Serial Bonds - Debt Interest	-	\$1,295.00	-
97306 - Bond Anticipation Notes - Debt Principal	\$5,000.00	-	-
97307 - Bond Anticipation Notes - Debt Interest	\$103,432.00	-	-
Total for Debt Service	\$274,132.00	\$166,995.00	\$165,700.00
Total for Debt Service	\$274,132.00	\$166,995.00	\$165,700.00
Total for Expenditures	\$1,458,303.00	\$1,284,092.00	\$1,298,189.00
Other Uses			
Interfund Transfers			
Interfund Transfers			

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**G - Sewer
 Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
99509 - Transfers to Capital Projects Fund - Interfund Transfer	-	-	\$20,000.00
Total for Interfund Transfers	\$0.00	\$0.00	\$20,000.00
Total for Interfund Transfers	\$0.00	\$0.00	\$20,000.00
Total for Other Uses	\$0.00	\$0.00	\$20,000.00
Total for Expenditures and Other Uses	\$1,458,303.00	\$1,284,092.00	\$1,318,189.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**G - Sewer
Changes in Fund Balance**

	12/31/2023	12/31/2022	12/31/2021
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	\$248,465.00	\$326,506.00	\$368,300.00
8012 - Prior Period Adjustment OR Change in Accounting Principle - Increase in Fund Balance	\$45,717.00	-	-
<i>Auditor adjustments</i>			
8015 - Prior Period Adjustment OR Change in Accounting Principle - Decrease in Fund Balance	-	-	\$2.00
8022 - Restated Fund Balance - Beginning of Year	\$294,182.00	\$326,506.00	\$368,298.00
Add Revenues and Other Sources	\$1,430,199.00	\$1,206,051.00	\$1,276,397.00
Deduct Expenditures and Other Uses	\$1,458,303.00	\$1,284,092.00	\$1,318,189.00
8029 - Fund Balance - End of Year	\$266,078.00	\$248,465.00	\$326,506.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**G - Sewer
Adopted Budget Summary**

	12/31/2024	12/31/2023	12/31/2022
Estimated Revenues and Other Sources			
Estimated Revenue			
1299 - Est Rev - Departmental Income	-	\$1,013,409.00	\$780,000.00
2199 - Est Rev - Departmental Income	\$1,037,000.00	-	-
2499 - Est Rev - Use of Money and Property	\$400.00	\$400.00	\$500.00
2799 - Est Rev - Other Revenues	\$497,000.00	\$460,000.00	\$420,000.00
Total for Estimated Revenue	\$1,534,400.00	\$1,473,809.00	\$1,200,500.00
Total for Estimated Revenues and Other Sources	\$1,534,400.00	\$1,473,809.00	\$1,200,500.00

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**G - Sewer
 Adopted Budget Summary**

	12/31/2024	12/31/2023	12/31/2022
Estimated Appropriations and Other Uses			
Estimated Appropriations			
1999 - App - General Government Support	\$48,411.00	\$106,606.00	\$45,173.00
8999 - App - Home and Community Services	\$1,009,139.00	\$984,456.00	\$856,186.00
9199 - App - Employee Benefits	\$116,902.00	\$133,036.00	\$132,146.00
9899 - App - Debt Service	\$359,948.00	\$249,711.00	\$166,995.00
Total for Estimated Appropriations	\$1,534,400.00	\$1,473,809.00	\$1,200,500.00
Total for Estimated Appropriations and Other Uses	\$1,534,400.00	\$1,473,809.00	\$1,200,500.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**H - Capital Projects
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$4,991,152.00	\$6,259,306.00	\$4,269,948.00
Total for Cash and Cash Equivalents	\$4,991,152.00	\$6,259,306.00	\$4,269,948.00
Due From			
391 - Due From Other Funds	\$579,585.00	\$427,754.00	\$245,828.00
410 - Due from State and Federal Government	\$2,054,562.00	-	-
Total for Due From	\$2,634,147.00	\$427,754.00	\$245,828.00
Other Assets			
480 - Prepaid Expenses	\$396,704.00	-	-
Total for Other Assets	\$396,704.00	\$0.00	\$0.00
Total for Assets	\$8,022,003.00	\$6,687,060.00	\$4,515,776.00
Total for Assets and Deferred Outflows	\$8,022,003.00	\$6,687,060.00	\$4,515,776.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**H - Capital Projects
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Payables			
600 - Accounts Payable	\$38,417.00	\$17,908.00	\$288,395.00
Total for Payables	\$38,417.00	\$17,908.00	\$288,395.00
Due to			
630 - Due To Other Funds	\$3,369,484.00	\$3,018,289.00	\$3,175,779.00
Total for Due to	\$3,369,484.00	\$3,018,289.00	\$3,175,779.00
Notes Payable			
626 - Bond Anticipation Notes Payable	\$4,995,543.00	\$8,467,856.00	\$3,050,425.00
Total for Notes Payable	\$4,995,543.00	\$8,467,856.00	\$3,050,425.00
Other Liabilities			
688 - Other Liabilities <i>Pass Through Brewing</i>	\$3,138.00	-	-
Total for Other Liabilities	\$3,138.00	\$0.00	\$0.00
Total for Liabilities	\$8,406,582.00	\$11,504,053.00	\$6,514,599.00
Deferred Inflows			
Deferred Inflows of Resources			
691 - Deferred Inflow Of Resources	\$906,957.00	-	-

City of Hudson
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For the Fiscal Period 01/01/2023 - 12/31/2023

**H - Capital Projects
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Total for Deferred Inflows of Resources	\$906,957.00	\$0.00	\$0.00
Total for Deferred Inflows	\$906,957.00	\$0.00	\$0.00
Fund Balance			
Nonspendable Fund Balance			
806 - Not In Spendable Form	\$396,704.00	-	-
Total for Nonspendable Fund Balance	\$396,704.00	\$0.00	\$0.00
Assigned Fund Balance			
915 - Assigned Unappropriated Fund Balance	-	-	\$0.00
Total for Assigned Fund Balance	\$0.00	\$0.00	\$0.00
Unassigned Fund Balance			
917 - Unassigned Fund Balance	(\$1,688,240.00)	(\$4,816,993.00)	(\$1,998,823.00)
Total for Unassigned Fund Balance	(\$1,688,240.00)	(\$4,816,993.00)	(\$1,998,823.00)
Total for Fund Balance	(\$1,291,536.00)	(\$4,816,993.00)	(\$1,998,823.00)
Total for Liabilities, Deferred Inflows and Fund Balances	\$8,022,003.00	\$6,687,060.00	\$4,515,776.00

City of Hudson
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**H - Capital Projects
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Revenues and Other Sources			
Revenues			
Non-Property Tax Items			
1110 - Sales and Use Tax	-	-	\$0.00
Total for Non-Property Tax Items	\$0.00	\$0.00	\$0.00
Use of Money and Property			
2401 - Interest and Earnings	\$4,154.00	\$3,415.00	\$1,638.00
Total for Use of Money and Property	\$4,154.00	\$3,415.00	\$1,638.00
Other Revenues			
2706 - Grants From Local Governments	\$541,600.00	\$0.00	-
2710 - Premium on Obligations	\$66,831.00	-	-
Total for Other Revenues	\$608,431.00	\$0.00	\$0.00
State Aid			
3097 - State Aid Capital Projects	\$1,095,361.00	-	-
3297 - State Aid Education Capital Projects	-	\$1,412,336.00	\$796,281.00
Total for State Aid	\$1,095,361.00	\$1,412,336.00	\$796,281.00
Federal Aid			
4097 - Federal Aid Capital Projects	\$69,542.00	-	-
Total for Federal Aid	\$69,542.00	\$0.00	\$0.00

City of Hudson
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**H - Capital Projects
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Total for Revenues	\$1,777,488.00	\$1,415,751.00	\$797,919.00
Other Sources			
Operating Transfers			
5031 - Interfund Transfers	\$436,101.00	\$279,425.00	\$537,416.00
Total for Operating Transfers	\$436,101.00	\$279,425.00	\$537,416.00
Proceeds of Obligations			
5710 - Serial Bonds	\$2,066,943.00	-	-
5731 - BANS Redeemed from Appropriations	\$120,000.00	-	-
Total for Proceeds of Obligations	\$2,186,943.00	\$0.00	\$0.00
Total for Other Sources	\$2,623,044.00	\$279,425.00	\$537,416.00
Total for Revenues and Other Sources	\$4,400,532.00	\$1,695,176.00	\$1,335,335.00

City of Hudson
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**H - Capital Projects
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Expenditures and Other Uses			
Expenditures			
General Government Support			
Shared Services			
16202 - Operation of Plant - Equipment and Capital Outlay	\$782,525.00	-	-
Total for Shared Services	\$782,525.00	\$0.00	\$0.00
Total for General Government Support	\$782,525.00	\$0.00	\$0.00
Public Safety			
Fire Protection			
34102 - Fire Protection - Equipment and Capital Outlay	-	\$2,968.00	-
Total for Fire Protection	\$0.00	\$2,968.00	\$0.00
Other Public Safety			
39972 - Other Public Safety - Equipment and Capital Outlay	\$19,975.00	\$2,500.00	\$1,596,131.00
Total for Other Public Safety	\$19,975.00	\$2,500.00	\$1,596,131.00
Total for Public Safety	\$19,975.00	\$5,468.00	\$1,596,131.00
Transportation			
Highway			
51102 - Maintenance of Roads - Equipment and Capital Outlay	\$5,862.00	\$2,893,930.00	\$123,612.00

City of Hudson
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**H - Capital Projects
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Total for Highway	\$5,862.00	\$2,893,930.00	\$123,612.00
Total for Transportation	\$5,862.00	\$2,893,930.00	\$123,612.00
Economic Assistance and Opportunity			
Economic Opportunity and Development			
69972 - Other Economic Development - Equipment and Capital Outlay	\$368,953.00	-	-
Total for Economic Opportunity and Development	\$368,953.00	\$0.00	\$0.00
Total for Economic Assistance and Opportunity	\$368,953.00	\$0.00	\$0.00
Home and Community Services			
General Environment			
80972 - Planning & Surveys - Equipment and Capital Outlay	\$292,015.00	\$1,119,420.00	\$318,105.00
Total for General Environment	\$292,015.00	\$1,119,420.00	\$318,105.00
Sewage			
81402 - Storm Sewers - Equipment and Capital Outlay	-	-	\$1,482,889.00
Total for Sewage	\$0.00	\$0.00	\$1,482,889.00
Water			
83402 - Water Transportation and Distribution - Equipment and Capital Outlay	-	\$494,528.00	\$10,026.00
Total for Water	\$0.00	\$494,528.00	\$10,026.00

City of Hudson
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**H - Capital Projects
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Total for Home and Community Services	\$292,015.00	\$1,613,948.00	\$1,811,020.00
Total for Expenditures	\$1,469,330.00	\$4,513,346.00	\$3,530,763.00
Total for Expenditures and Other Uses	\$1,469,330.00	\$4,513,346.00	\$3,530,763.00

City of Hudson
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**H - Capital Projects
Changes in Fund Balance**

	12/31/2023	12/31/2022	12/31/2021
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	(\$4,816,993.00)	(\$1,998,823.00)	\$196,605.00
8012 - Prior Period Adjustment OR Change in Accounting Principle - Increase in Fund Balance <i>auditor adjustment</i>	\$594,255.00	-	-
8022 - Restated Fund Balance - Beginning of Year	(\$4,222,738.00)	(\$1,998,823.00)	\$196,605.00
Add Revenues and Other Sources	\$4,400,532.00	\$1,695,176.00	\$1,335,335.00
Deduct Expenditures and Other Uses	\$1,469,330.00	\$4,513,346.00	\$3,530,763.00
8029 - Fund Balance - End of Year	(\$1,291,536.00)	(\$4,816,993.00)	(\$1,998,823.00)

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**PN - Permanent
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$794,926.00	-	-
Total for Cash and Cash Equivalents	\$794,926.00	\$0.00	\$0.00
Restricted Cash and Cash Equivalents			
230 - Cash Special Reserves	-	\$792,078.00	\$787,423.00
Total for Restricted Cash and Cash Equivalents	\$0.00	\$792,078.00	\$787,423.00
Total for Assets	\$794,926.00	\$792,078.00	\$787,423.00
Total for Assets and Deferred Outflows	\$794,926.00	\$792,078.00	\$787,423.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**PN - Permanent
Balance Sheet**

	12/31/2023	12/31/2022	12/31/2021
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Due to			
630 - Due To Other Funds	\$2,564.00	\$1,770.00	\$980.00
Total for Due to	\$2,564.00	\$1,770.00	\$980.00
Total for Liabilities	\$2,564.00	\$1,770.00	\$980.00
Fund Balance			
Nonspendable Fund Balance			
807 - Must Remain Intact	\$792,362.00	\$790,308.00	\$786,443.00
Total for Nonspendable Fund Balance	\$792,362.00	\$790,308.00	\$786,443.00
Total for Fund Balance	\$792,362.00	\$790,308.00	\$786,443.00
Total for Liabilities, Deferred Inflows and Fund Balances	\$794,926.00	\$792,078.00	\$787,423.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

**PN - Permanent
Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Revenues and Other Sources			
Revenues			
Use of Money and Property			
2401 - Interest and Earnings	\$793.00	\$790.00	\$784.00
Total for Use of Money and Property	\$793.00	\$790.00	\$784.00
Other Revenues			
2770 - Unclassified	-	\$3,865.00	\$6,407.00
Total for Other Revenues	\$0.00	\$3,865.00	\$6,407.00
Total for Revenues	\$793.00	\$4,655.00	\$7,191.00
Total for Revenues and Other Sources	\$793.00	\$4,655.00	\$7,191.00

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**PN - Permanent
 Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Expenditures and Other Uses			
Other Uses			
Interfund Transfers			
Interfund Transfers			
99019 - Transfers to Other Funds - Interfund Transfer <i>cemetery</i>	\$793.00	\$790.00	\$784.00
Total for Interfund Transfers	\$793.00	\$790.00	\$784.00
Total for Interfund Transfers	\$793.00	\$790.00	\$784.00
Total for Other Uses	\$793.00	\$790.00	\$784.00
Total for Expenditures and Other Uses	\$793.00	\$790.00	\$784.00

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**PN - Permanent
 Changes in Fund Balance**

	12/31/2023	12/31/2022	12/31/2021
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	\$790,308.00	\$786,443.00	\$780,036.00
8012 - Prior Period Adjustment OR Change in Accounting Principle - Increase in Fund Balance <i>auditor adjustments</i>	\$2,054.00	-	-
8022 - Restated Fund Balance - Beginning of Year	\$792,362.00	\$786,443.00	\$780,036.00
Add Revenues and Other Sources	\$793.00	\$4,655.00	\$7,191.00
Deduct Expenditures and Other Uses	\$793.00	\$790.00	\$784.00
8029 - Fund Balance - End of Year	\$792,362.00	\$790,308.00	\$786,443.00

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**TC - Custodial
 Statement of Net Position**

	12/31/2023	12/31/2022	12/31/2021
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	-	\$144,887.00	\$133,253.00
Total for Cash and Cash Equivalents	\$0.00	\$144,887.00	\$133,253.00
Due From			
391 - Due From Other Funds	-	\$10,000.00	-
Total for Due From	\$0.00	\$10,000.00	\$0.00
Total for Assets	\$0.00	\$154,887.00	\$133,253.00
Total for Assets and Deferred Outflows	\$0.00	\$154,887.00	\$133,253.00

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**TC - Custodial
 Statement of Net Position**

	12/31/2023	12/31/2022	12/31/2021
Liabilities, Deferred Inflows and Net Position			
Liabilities			
Payables			
735 - Bail Deposits	-	\$154,887.00	\$133,253.00
Total for Payables	\$0.00	\$154,887.00	\$133,253.00
Total for Liabilities	\$0.00	\$154,887.00	\$133,253.00
Total for Liabilities, Deferred Inflows and Net Position	\$0.00	\$154,887.00	\$133,253.00

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**TC - Custodial
 Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Revenues and Other Sources			
Revenues			
Miscellaneous			
2770 - Unclassified <i>Taxes Remitted to Other Governments</i>	\$3,436,594.00	-	-
Total for Miscellaneous	\$3,436,594.00	\$0.00	\$0.00
Total for Revenues	\$3,436,594.00	\$0.00	\$0.00
Total for Revenues and Other Sources	\$3,436,594.00	\$0.00	\$0.00

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**TC - Custodial
 Results of Operations**

	12/31/2023	12/31/2022	12/31/2021
Expenditures and Other Uses			
Expenditures			
General Government Support			
Special Items			
19354 - Other Custodial Activities - Contractual <i>Taxes Remitted to other Governments</i>	\$3,436,594.00	-	-
Total for Special Items	\$3,436,594.00	\$0.00	\$0.00
Total for General Government Support	\$3,436,594.00	\$0.00	\$0.00
Total for Expenditures	\$3,436,594.00	\$0.00	\$0.00
Total for Expenditures and Other Uses	\$3,436,594.00	\$0.00	\$0.00

City of Hudson
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**TC - Custodial
Changes in Net Position**

	12/31/2023	12/31/2022	12/31/2021
Analysis of Changes in Net Position			
8021 - Net Position - Beginning of Year	\$0.00	\$0.00	\$35,322.00
8015 - Prior Period Adjustment OR Change in Accounting Principle - Decrease in Net Position	-	-	\$35,322.00
8022 - Restated Net Position - Beginning of Year	\$0.00	\$0.00	\$0.00
Add Revenues and Other Sources	\$3,436,594.00	\$0.00	\$0.00
Deduct Expenditures and Other Uses	\$3,436,594.00	\$0.00	\$0.00
8029 - Net Position - End of Year	\$0.00	\$0.00	\$0.00

City of Hudson
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For the Fiscal Period 01/01/2023 - 12/31/2023

K - Schedule of Non-Current Government Assets
Schedule of Non-Current Government Assets

	12/31/2023	12/31/2022	12/31/2021
Non-Current Assets			
Non-Depreciable Capital Assets			
101 - Land	\$440,153.00	\$440,153.00	\$440,153.00
Total for Non-Depreciable Capital Assets	\$440,153.00	\$440,153.00	\$440,153.00
Depreciable Capital Assets			
102 - Buildings	\$3,013,315.00	\$3,013,315.00	\$3,013,315.00
104 - Machinery and Equipment	\$2,261,046.00	\$2,261,046.00	\$2,261,046.00
Total for Depreciable Capital Assets	\$5,274,361.00	\$5,274,361.00	\$5,274,361.00
Other Non-Current Assets			
108 - Net Pension Asset Proportionate Share	-	\$807,086.00	-
Total for Other Non-Current Assets	\$0.00	\$807,086.00	\$0.00
Total for Non-Current Assets	\$5,714,514.00	\$6,521,600.00	\$5,714,514.00

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

W - Schedule of Non-Current Government Liabilities
Schedule of Non-Current Government Liabilities

	12/31/2023	12/31/2022	12/31/2021
Long-Term Obligations			
Debt Obligations			
628 - Bonds Payable	\$11,561,894.00	\$10,224,477.00	\$10,940,976.00
689 - Other Long Term Debt	-	\$770,000.00	\$900,000.00
Total for Debt Obligations	\$11,561,894.00	\$10,994,477.00	\$11,840,976.00
Other Long-Term Obligations			
638 - Net Pension Liability Proportionate Share	\$5,529,035.00	\$314,738.00	\$1,040,566.00
682 - Lease Liability	\$640,000.00	-	-
687 - Compensated Absences	\$951,795.00	\$958,068.00	\$915,680.00
Total for Other Long-Term Obligations	\$7,120,830.00	\$1,272,806.00	\$1,956,246.00
Total for Long-Term Obligations	\$18,682,724.00	\$12,267,283.00	\$13,797,222.00

City of Hudson
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For the Fiscal Period 01/01/2023 - 12/31/2023

Supplemental Schedules

The Supplemental Schedules includes the following schedules:

- Statement of Indebtedness
- Bond Repayment
- Bank Reconciliation
- Employee and Retiree Benefits

City of Hudson
 Annual Financial Report
 For the Fiscal Period 01/01/2023 - 12/31/2023

**Statement of Indebtedness
 Debt Summary**

Debt Type	Beginning Balance	Debt Issued	Principal Paid	Paid From debt Proceeds	Accreted Interest	Prior Year Adjustment	Ending Balance
Bond	\$0.00	\$2,066,943.00	\$729,526.00	\$0.00	\$0.00	\$10,224,477.00	\$11,561,894.00
Bond Anticipation Note	\$0.00	\$4,995,543.00	\$120,000.00	\$2,930,425.00	\$0.00	\$3,050,425.00	\$4,995,543.00
Total	\$0.00	\$7,062,486.00	\$849,526.00	\$2,930,425.00	\$0.00	\$13,274,902.00	\$16,557,437.00

City of Hudson
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**Statement of Indebtedness
Debt Records**

Debt Type/ Purpose	Lender Name	Issue Date	Maturity Date	Beginning Balance	Debt Issued	Principal Paid	Paid From Debt Proceeds	Prior Year Adjustment	Accreted Interest	Ending Balance
Bond POLICE COURT BUILDING		4/24/14	4/15/40	\$0.00	\$0.00	\$80,000.00	\$0.00	\$2,070,000.00	\$0.00	\$1,990,000.00
Bond POLICE COURT BUILDING II		6/23/16	6/15/38	\$0.00	\$0.00	\$65,000.00	\$0.00	\$1,360,000.00	\$0.00	\$1,295,000.00
Bond FIRE TRUCK		10/15/13	10/15/23	\$0.00	\$0.00	\$58,091.00	\$0.00	\$58,091.00	\$0.00	\$0.00
Bond SEWER UPGRADE	EFC	12/19/13	8/1/43	\$0.00	\$0.00	\$165,700.00	\$0.00	\$3,479,700.00	\$0.00	\$3,314,000.00
Bond AIR PACK		11/8/18	11/8/23	\$0.00	\$0.00	\$75,482.00	\$0.00	\$75,482.00	\$0.00	\$0.00
Bond VARIOUS PROJECTS		6/22/23	6/22/38	\$0.00	\$2,066,943.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,066,943.00
Bond WATER FILTRATION	EFC	7/17/03	12/15/32	\$0.00	\$0.00	\$251,231.00	\$0.00	\$2,663,050.00	\$0.00	\$2,411,819.00
Bond WATER FILTRATION	EFC	12/21/06	12/15/36	\$0.00	\$0.00	\$34,022.00	\$0.00	\$518,154.00	\$0.00	\$484,132.00
Bond Anticipation Note 21 BAN		6/15/22	6/15/23	\$0.00	\$0.00	\$120,000.00	\$2,930,425.00	\$3,050,425.00	\$0.00	\$0.00
Bond Anticipation Note Capital projects		6/22/23	6/21/24	\$0.00	\$4,995,543.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,995,543.00

City of Hudson
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Bond Repayment

Fiscal Year Ending	Bond Principal Due	Bond Interest Due	Total Due	Remaining Principal Balance
2024	\$671,706.00	\$229,881.00	\$901,587.00	\$10,890,188.00
2025	\$718,573.00	\$184,063.00	\$902,636.00	\$10,171,615.00
2026	\$737,382.00	\$175,431.00	\$912,813.00	\$9,434,233.00
2027	\$751,192.00	\$166,106.00	\$917,298.00	\$8,683,041.00
2028	\$765,001.00	\$156,150.00	\$921,151.00	\$7,918,040.00
2029	\$783,811.00	\$145,450.00	\$929,261.00	\$7,134,229.00
2030	\$802,620.00	\$133,875.00	\$936,495.00	\$6,331,609.00
2031	\$816,430.00	\$121,525.00	\$937,955.00	\$5,515,179.00
2032	\$835,239.00	\$108,700.00	\$943,939.00	\$4,679,940.00
2033	\$564,320.00	\$95,400.00	\$659,720.00	\$4,115,620.00
2034	\$579,780.00	\$81,625.00	\$661,405.00	\$3,535,840.00
2035	\$595,240.00	\$67,275.00	\$662,515.00	\$2,940,600.00
2036	\$610,700.00	\$52,350.00	\$663,050.00	\$2,329,900.00

City of Hudson
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Fiscal Year Ending	Bond Principal Due	Bond Interest Due	Total Due	Remaining Principal Balance
2037	\$580,700.00	\$36,950.00	\$617,650.00	\$1,749,200.00
2038	\$605,700.00	\$20,875.00	\$626,575.00	\$1,143,500.00
2039	\$320,700.00	\$9,500.00	\$330,200.00	\$822,800.00
2040	\$325,700.00	\$3,200.00	\$328,900.00	\$497,100.00
2041	\$165,700.00	\$0.00	\$165,700.00	\$331,400.00
2042	\$165,700.00	\$0.00	\$165,700.00	\$165,700.00
2043	\$165,700.00	\$0.00	\$165,700.00	\$0.00
Total	\$11,561,894.00	\$1,788,356.00	\$13,350,250.00	
\$11,561,894.00 Total Bond Ending Balance for Statement of Indebtedness.				

City of Hudson
Annual Financial Report
For the Fiscal Period 01/01/2023 - 12/31/2023

Bank Reconciliation

Accounts

Account No.	Account Type	Associated Fund(s)	Bank Balance	Deposits In Transit	Outstanding Checks	Adjustments	Total
1598	Checking	H	\$488,460.00	\$0.00	\$0.00	\$0.00	\$488,460.00
3057	Checking	H	\$84,101.00	\$3,513.00	\$0.00	\$0.00	\$87,614.00
3633	Checking	A	\$113,492.00	\$0.00	(\$3.00)	\$0.00	\$113,489.00
3059	Checking	CM	\$49,273.00	\$0.00	(\$5,624.00)	\$0.00	\$43,649.00
1226	Checking	H	\$38,732.00	\$8,651.00	\$0.00	\$0.00	\$47,383.00
5799	Checking	H	\$28,532.00	\$0.00	\$0.00	\$0.00	\$28,532.00
1171	Savings	PN	\$794,925.00	\$0.00	\$0.00	\$0.00	\$794,925.00
9562	Checking	H	\$434,656.00	\$0.00	(\$4,000.00)	\$0.00	\$430,656.00
1234	Checking	A, H	\$137,618.00	\$0.00	\$0.00	\$0.00	\$137,618.00
8448	Checking	A	\$55,382.00	\$0.00	(\$52,244.00)	\$0.00	\$3,138.00
8156	Checking	H	\$92,601.00	\$17,708.00	\$0.00	\$0.00	\$110,309.00
9355	Checking	H	\$19,778.00	\$0.00	\$0.00	\$0.00	\$19,778.00

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Accounts

Account No.	Account Type	Associated Fund(s)	Bank Balance	Deposits In Transit	Outstanding Checks	Adjustments	Total
3168	Checking	H	\$2,581,739.00	\$34,573.00	\$0.00	\$0.00	\$2,616,312.00
6306	Checking	H	\$194,349.00	\$0.00	(\$5,247.00)	\$0.00	\$189,102.00
6579	Checking	H	\$43,543.00	\$0.00	\$0.00	\$0.00	\$43,543.00
8342	Checking	A	\$3,494.00	\$0.00	\$0.00	\$0.00	\$3,494.00
6698	Checking	H	\$281,077.00	\$2,386.00	\$0.00	\$0.00	\$283,463.00
3025	Checking	A, CM, FX, G, H, PN	\$1,748,738.00	\$76,978.00	(\$366,330.00)	\$0.00	\$1,459,386.00
3322	Checking	A	\$18,453.00	\$0.00	\$0.00	\$0.00	\$18,453.00
3944	Checking	H	\$33,120.00	\$0.00	\$0.00	\$0.00	\$33,120.00
4824	Checking	A	\$13,948.00	\$0.00	\$0.00	\$0.00	\$13,948.00
3075	Checking	G	\$166,325.00	\$419.00	\$0.00	\$0.00	\$166,744.00
3510	Checking	A, CM, FX, G	\$61,946.00	\$0.00	\$0.00	\$0.00	\$61,946.00
9027	Checking	A	\$9,427.00	\$0.00	\$0.00	\$0.00	\$9,427.00
7246	Checking	H	\$472,126.00	\$0.00	\$0.00	\$0.00	\$472,126.00

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Accounts

Account No.	Account Type	Associated Fund(s)	Bank Balance	Deposits In Transit	Outstanding Checks	Adjustments	Total
3041	Checking	FX	\$51,826.00	\$506.00	\$0.00	\$0.00	\$52,332.00
4362	Checking	CM	\$17,310.00	\$100.00	\$0.00	\$0.00	\$17,410.00
1163	Savings	A	\$41,164.00	\$0.00	\$0.00	\$0.00	\$41,164.00
3108	Checking	A, PN	\$33.00	\$0.00	\$0.00	\$0.00	\$33.00
766	Checking	A	\$68,900.89	\$0.00	(\$18,835.00)	\$0.00	\$50,065.89
5970	Checking	A	\$1,384,658.00	\$0.00	\$0.00	\$0.00	\$1,384,658.00
Total			\$9,529,726.89	\$144,834.00	(\$452,283.00)	\$0.00	\$9,222,277.89
Total Cash From Financials							\$9,222,279.00

City of Hudson
 Annual Financial Report
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Bank Reconciliation

Collateralization of Cash

Total Bank Balance	\$9,529,726.89
FDIC Insurance	\$250,000.00
Collateralized with Securities held in possession of the municipality or its agent or otherwise secured	\$10,497,506.00
Total of FDIC Insurance and Collateralized with securities held in possession of the municipality or its agent or otherwise secured	\$10,747,506.00

Investments and Collateralization of Investments

Investments From Financials	\$0.00
Market Value as of Fiscal Year End Date	\$0.00
Collateralized with Securities held in possession of the municipality or its agent or otherwise secured	\$0.00

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Employee and Retiree Benefits

Total Number

Full Time Employees	Part Time Employees	Volunteers with Paid Benefits	Retirees with Paid Benefits
72	32	0	54

Number Receiving Benefits

Benefit	Amount	Full Time	Part Time	Volunteer	Retiree
State Retirement System	\$324,309.00	50	10		0
Police Retirement	\$646,356.00	22	0		0
Fire Retirement					
Local Pension Fund	\$23,527.00	0	0		0
Social Security	\$489,519.00	72	32		0
Worker's Compensation	\$212,850.00	72	32		0
Unemployment Insurance	\$865.00	0	0		0
Disability Insurance					
Union Welfare Benefits					
Supplemental Benefit Payments to Disabled Firefighters					
Employee Benefits, Other					
Life Insurance					
Hospital, Medical and Dental Insurance	\$1,931,964.00	57	0		54
Total Employee Benefits Paid	\$3,629,390.00				

**FORM OF BOND COUNSEL OPINION IN CONNECTION WITH
\$3,840,463 PUBLIC IMPROVEMENT (SERIAL) BONDS, SERIES 2024**

Upon delivery of the Bonds at the Closing Date, Rodenhausen Chale & Polidoro LLP, Rhinebeck, NY, Bond Counsel to the City, proposes to issue its approving opinion as to the Bonds in substantially the following form:

June __, 2024

City of Hudson
520 Warren Street
Hudson, New York 12534

Re: City of Hudson
Columbia County, New York
\$3,840,463 Public Improvement (Serial) Bonds, Series 2024

Ladies and Gentlemen:

We have acted as bond counsel to the City of Hudson, Columbia County, New York (the "Issuer") in connection with the issuance of its Public Improvement (Serial) Bonds, Series 2024, dated June __, 2024, in the aggregate principal amount of \$3,840,463 (the "Bonds").

We have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the transcript of proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation. In our examination, we have assumed the genuineness of all signatures, the authenticity and completeness of all documents submitted to us as originals and the conformity with the original documents of all documents submitted to us as copies.

Based upon our examination of the foregoing and subject to the limitations contained herein, we are of the opinion that, under existing law,

(1) The Bonds have been duly authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute the valid and legally binding general obligations of the Issuer, for the payment of which the Issuer has validly pledged its faith and credit, and all the taxable real property within the boundaries of the Issuer is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to certain statutory limitations which may be imposed by Chapter 97 of the Laws of 2011, as amended.

(2) Interest on the Bonds is not includable in gross income for federal income tax purposes pursuant to Section 103 of the Code and is not treated as an "item of tax preference" for the purposes of the federal alternative minimum tax imposed on individuals under the Code; however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

The Code establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remains excludable from gross income for Federal income tax purposes pursuant to Section 103 of the Code. These requirements include, but are not limited to, restrictions on the investment and use of proceeds of the Bonds and the rebate of certain earnings in respect of such investments to the United States. Noncompliance may cause interest on the Bonds to become subject to Federal income taxes retroactive to the date of issue of the Bonds, irrespective of the date on which such noncompliance occurs or is ascertained. On the date of issuance of the Bonds, the Issuer will execute and deliver an Arbitrage and Use of Proceeds Certificate with respect to the Bonds which will contain provisions and procedures relating to compliance with applicable requirements of the Code. The Arbitrage and Use of Proceeds Certificate will include the Issuer's certification to the effect that the Issuer will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that interest on the Bonds is not included in gross income.

In rendering the opinion set forth in this paragraph 2, we have relied upon and assumed the material accuracy of the Issuer's certifications, statements of intention and reasonable expectation, and certifications of fact contained in the Arbitrage and Use of Proceeds Certificate with respect to matters affecting the status of interest on the Bonds and compliance by the Issuer with the procedures and certifications set forth in the Arbitrage and Use of Proceeds Certificate as to such tax matters.

(3) Interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

Except as set forth in paragraphs 2 and 3 above, we express no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds or the ownership or disposition thereof.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws affecting creditors' rights generally heretofore or hereafter enacted, and by equitable principles, whether considered at law or in equity.

The scope of our engagement as bond counsel in relation to the issuance of the Bonds has extended solely to rendering the opinions expressed herein, and the opinions expressed herein 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 Issuer, together with other legally available sources of revenue, if any, will be sufficient to enable the Issuer to pay the principal of or interest on the Bonds as the same respectively become due and payable. We have not been asked to and have not undertaken to review the accuracy, completeness or sufficiency of the Official Statement, or any other offering materials which may have been furnished to the purchasers of the Bonds, and we express no opinion with respect thereto.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur. We express no opinion as to the Bonds or the interest thereon if any change occurs or action is taken upon the advice or approval of counsel other than Rodenhausen Chale & Polidoro LLP.

**FORM OF BOND COUNSEL OPINION IN CONNECTION WITH
\$7,522,397 BOND ANTICIPATION NOTES, SERIES 2024**

Upon delivery of the Notes at the Closing Date, Rodenhausen Chale & Polidoro LLP, Rhinebeck, NY, Bond Counsel to the City, proposes to issue its approving opinion as to the Notes in substantially the following form:

June __, 2024

City of Hudson
520 Warren Street
Hudson, New York 12534

Re: City of Hudson
Columbia County, New York
\$7,522,397 Bond Anticipation Notes, Series 2024

Ladies and Gentlemen:

We have acted as bond counsel to the City of Hudson, Columbia County, New York (the "Issuer") in connection with the issuance of its Bond Anticipation Notes, Series 2024 in the aggregate principal amount of \$7,522,397 (the "Notes").

The Notes are dated June 20, 2024 bear interest at the rate of ____% per annum, are payable at maturity and mature June 20, 2025.

We have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the transcript of proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation. In our examination, we have assumed the genuineness of all signatures, the authenticity and completeness of all documents submitted to us as originals and the conformity with the original documents of all documents submitted to us as copies.

Based upon our examination of the foregoing and subject to the limitations contained herein, we are of the opinion that, under existing law,

(1) The Notes have been duly authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute the valid and legally binding general obligations of the Issuer, for the payment of which the Issuer has validly pledged its faith and credit, and all the taxable real property within the boundaries of the Issuer is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to certain statutory limitations which may be imposed by Chapter 97 of the Laws of 2011, as amended.

(2) Interest on the Notes is not includable in gross income for federal income tax purposes pursuant to Section 103 of the Code and is not treated as an "item of tax preference" for the purposes of the federal alternative minimum tax under the Code; however, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

The Code establishes certain requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on the Notes be and remains excludable from gross income for Federal income tax purposes pursuant to Section 103 of the Code. These requirements include, but are not limited to, restrictions on the investment and use of proceeds of the Notes and the rebate of certain earnings in respect of such investments to the United States. Noncompliance may cause interest on the Notes to become subject to Federal income taxes retroactive to the date of issue of the Notes, irrespective of the date on which such noncompliance occurs or is ascertained. On the date of issuance of the Notes, the Issuer will execute and deliver an Arbitrage and Use of Proceeds Certificate with respect to the Notes which will contain provisions and procedures relating to compliance with applicable requirements of the Code. The Arbitrage and Use of Proceeds Certificate will include the Issuer's certification to the effect that the Issuer will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that interest on the Notes is not included in gross income.

In rendering the opinion set forth in this paragraph 2, we have relied upon and assumed the material accuracy of the Issuer's certifications, statements of intention and reasonable expectation, and certifications of fact contained in the Arbitrage and Use of Proceeds Certificate with respect to matters affecting the status of interest on the Notes and compliance by the Issuer with the procedures and certifications set forth in the Arbitrage and Use of Proceeds Certificate as to such tax matters.

(3) Interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

Except as set forth in paragraphs 2 and 3 above, we express no opinion regarding other federal, state or local tax consequences arising with respect to the Notes or the ownership or disposition thereof.

It is to be understood that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws affecting creditors' rights generally heretofore or hereafter enacted, and by equitable principles, whether considered at law or in equity.

The scope of our engagement as bond counsel in relation to the issuance of the Notes has extended solely to rendering the opinions expressed herein, and the opinions expressed herein 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 Issuer, together with other legally available sources of revenue, if any, will be sufficient to enable the Issuer to pay the principal of or interest on the Notes as the same respectively become due and payable. We have not been asked and have not undertaken to review the accuracy, completeness or sufficiency of the Official Statement or any other offering materials which may have been furnished to the purchasers of the Notes and we express no opinion with respect thereto.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur. We express no opinion as to the Notes or the interest thereon if any change occurs or action is taken upon the advice or approval of counsel other than Rodenhausen Chale & Polidoro LLP.