

OCTOBER 6, 2021

REGULAR MEETING – 6:00 PM

Present: Mayor Grimshaw, Trustees: Emery, Hotchkiss, Harter and Linerode, Kennedy Barnes (departed 6:56 pm), Kristen Hueber, Donald Myers, Nancy Smith, Wayne Myers (departed 6:40 pm), Roseann Myers (departed 6:40 pm), Bill Waite (departed 6:56 pm) and Attorney Seiter

Mayor Grimshaw called the regular meeting to order at 6:00 pm.

The Minutes of the Regular Meeting of September 1, 2021 were approved on motion of Trustee Hotchkiss, seconded by Trustee Linderode, all aye, Trustee Harter abstained. The Minutes of the Special Meeting of September 7, 2021 were approved on motion of Trustee Hotchkiss, seconded by Trustee Linerode, all aye, Trustee Harter abstained.

The following claims were approved for payment on motion of Trustee Hotchkiss seconded by Trustee Harter, all aye:

General Fund Abstract:

4B: \$34,104.97

5A: \$3,235.56

5B: \$23,672.27

Water Fund Abstract:

4B: \$11,293.01

5A: \$3,165.90

5B: \$52,083.75

Sewer Fund Abstract:

4B: \$22,508.37

5A: \$14,651.33

5B: \$25,306.49

WWTP Upgrade Project

Abstract:

5A: \$1,998.00

Reports were given by Mayor Grimshaw on behalf of William Hamacher Zoning/Code Enforcement officer and John Power/Village Administrator.

Trustee Emery and the Village Board would like to commend John Power and the DPW employees for all the progress and accomplishments over the last five (5) years.

Don Myers presented the board with pictures and a list of numerous complaints that he has within the village.

Bill Waite was glad to hear the village is looking into different scenarios in regards to the sidewalk condition throughout the village.

On motion of Trustee Linerode, seconded Trustee Harter, all aye, the board passed the following post issuance compliance policies:

VILLAGE OF MEXICO

ADOPT POST ISSUANCE COMPLIANCE POLICY

WHEREAS, the Village of Mexico (the "Village") has issued and may in the future issue obligations on a tax-exempt or tax-advantaged basis; and

WHEREAS, the Internal Revenue Service encourages issuers of tax-exempt or tax-advantaged basis obligations to adopt post-issuance compliance policies to ensure compliance with the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Village has entered into and may in the future enter into certificates and agreements ("Continuing Disclosure Agreements") providing for ongoing disclosure in

connection with the offering of securities to investors ("Offerings") (whether or not tax-exempt/tax-advantaged) subject to the continuing disclosure requirements of Rule 15c2-12(b)(5) (the "Rule") promulgated by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934; and

WHEREAS, the SEC encourages issuers of Offerings to adopt post-issuance compliance policies to ensure compliance with Continuing Disclosure Agreements and the Rule;

WHEREAS, the Village desires to adopt written post-issuance compliance policies to ensure that the Village is in compliance with its obligations under the Code and the Rule; and

WHEREAS, members of the Village Board have had an opportunity to review a copy of the Post-Issuance Compliance Policy for Tax-Exempt and Tax-Advantaged Bonds and Continuing Disclosure (the "Policy");

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NOW THEREFOR BE IT RESOLVED BY THIS VILLAGE BOARD AS FOLLOWS:

Section 1. The Village hereby adopts the Policy in the form presented to the Village Board at this meeting.

Section 2. This Resolution shall take effect immediately.

The foregoing resolution was duly moved by Trustee Linerode, and seconded by Trustee Harter and brought to a vote resulting as follows:

AYES NAYS

Mayor Grimshaw

Trustee Harter

Trustee Hotchkiss

Trustee Linerode

Trustee Emery

Post-Issuance Compliance Policy

for Tax-Exempt and Tax-Advantaged Bonds and Continuing Disclosure

This Post-Issuance Compliance Policy (the "Policy") sets forth specific policies of the Village of Mexico, New York (the "Issuer") designed to monitor post-issuance compliance with:

a. applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations promulgated thereunder ("Treasury Regulations") for obligations issued by the Issuer on a tax-exempt or tax-advantaged basis ("Bonds"); and

b. applicable requirements set forth in certificates and agreement(s) ("Continuing Disclosure Agreements") providing for ongoing disclosure in connection with the offering of securities to investors ("Offerings"), for securities (whether or not tax-exempt/tax-advantaged) subject to the continuing disclosure requirements of Rule 15c2-12(b)(5) (the "Rule") promulgated by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934.

This Policy sets forth practices and describes various procedures intended to assure compliance with the requirements that must be satisfied subsequent to the issuance of Bonds in order that the interest on such Bonds continue to be eligible to be excluded from gross income for federal tax purposes or that the Bonds continue to receive tax-advantaged treatment. The federal tax law requirements applicable to each particular issue of Bonds will be detailed in the arbitrage or tax certificate prepared by bond counsel and executed by officials of the Issuer in connection with such issue of Bonds. This Policy establishes a permanent, ongoing structure of procedures that will facilitate compliance with the requirements for individual issuances.

This Policy similarly describes various procedures and systems designed to assure compliance with Continuing Disclosure Agreements, by preparing and disseminating related reports and information and reporting "material events" for the benefit of the holders of the Issuer's securities and to assist the Participating Underwriters (within the meaning of the Rule) in complying with the Rule.

The Issuer recognizes that compliance with applicable law and regulation is an ongoing process during the entire term of the Bonds. Accordingly, implementation of the Policy will require ongoing monitoring and consultation with bond counsel and the Issuer's accountants and financial advisors.

General Policies and Procedures

The following procedures relate to monitoring post-issuance compliance generally:

- a. The Village Treasurer shall be the Compliance Officer and shall be responsible for monitoring post-issuance compliance issues.
- b. The Compliance Officer will coordinate procedures for record retention and review of such records.
- c. All documents and other records relating to Bonds issued by the Issuer shall be maintained by or at the direction of the Compliance Officer.
- d. The Compliance Officer shall be aware of options for voluntary corrections for failure to comply with post-issuance compliance requirements (such as remedial actions under Section 1.141-12 of the Regulations and the Treasury's Tax-Exempt Bonds Voluntary Closing Agreement Program) and recommend that the Issuer take such corrective action when necessary and appropriate.
- 5. The Compliance Officer will review with bond counsel and the financial advisor post-issuance compliance procedures on a periodic basis, but not less than annually and consult with bond counsel on changes in law or regulation.

Issuance of Bonds – Documents and Records

With respect to each issue of Bonds, the Compliance Officer will:

- a. Obtain and store a closing binder and/or CD or other electronic copy of the relevant and customary transaction documents (the "Transcript").
- b. Confirm that bond counsel has filed the applicable information report (e.g., Form 8038-G, Form 8038-CP) for such issue with the IRS on a timely basis.
- c. Coordinate receipt and retention of relevant books and records with respect to the investment and expenditure of the proceeds of such Bonds with other applicable staff members of the Issuer.
- d. Coordinate tracking of the use of facilities and equipment to which the proceeds of such Bonds have been allocated with other applicable staff members of the Issuer.

Arbitrage and Rebate

The following steps relate to the monitoring and calculating of arbitrage and rebate and compliance with specific arbitrage rules and regulations:

The Compliance Officer will:

- a. Confirm that a certification of the initial offering prices of the Bonds with such supporting data, if any, required by bond counsel, is included in the Transcript.
- b. Confirm that a computation of the yield on such issue is contained in the Transcript.
- c. Maintain a system for tracking investment earnings on the proceeds of the Bonds.
- d. Coordinate the tracking of expenditures, including the expenditure of any investment earnings. If the project(s) to be financed with the proceeds of the Bonds will be funded with multiple sources of funds, confirm that the Issuer has adopted a reasonable consistently applied accounting methodology that maintains each source of financing separately, monitors the actual expenditure of proceeds of the Bonds and records the allocation of proceeds to expenditures in accordance with such methodology.
- e. Maintain a procedure for the allocation of proceeds of the issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures. This procedure shall include an examination of the expenditures made with proceeds of the Bonds within 18 months after each project financed by the Bonds is placed in service and, if necessary, a reallocation of expenditures in accordance with Section 1.148-6(d) of the Treasury Regulations.
- f. Monitor compliance with the applicable "temporary period" (as defined in the Code and Treasury Regulations) exceptions for the expenditure of proceeds of the issue, and provide for yield restriction on the investment of such proceeds if such exceptions are not satisfied.
- g. Ensure that investments acquired with proceeds of such issue are purchased at fair market value and determine fair market value in accordance with any applicable Treasury Regulation safe harbor.
- h. Avoid formal or informal creation of funds reasonably expected to be used to pay debt service on such issue without determining in advance whether such funds must be invested at a restricted yield.
- i. Consult with bond counsel prior to engaging in any post-issuance credit enhancement transactions or investments in guaranteed investment contracts.
- j. Identify situations in which compliance with applicable yield restrictions depends upon later investments and monitor implementation of any such restrictions.
- k. Monitor compliance with six-month, 18-month or 2-year spending exceptions to the rebate requirement, as applicable.
12. Procure a timely computation of any rebate liability and, if rebate is due, file a Form 8038-T and arrange for payment of such rebate liability.

13. Arrange for timely computation and payment of “yield reduction payments” (as such term is defined in the Code and Treasury Regulations), if applicable.

Private Use Compliance

The following policies relate to the monitoring and tracking of private uses and private payments with respect to facilities financed with proceeds of the Bonds:

The Compliance Officer will:

- a. Maintain records determining and tracking facilities and equipment financed with specific Bonds and the amount of proceeds allocated to each facility or item of equipment.
- b. Maintain records, which should be consistent with those used for arbitrage purposes, to allocate the proceeds of issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures.
- c. Maintain records allocating to a project financed with Bonds any funds from other sources that will be used for otherwise non-qualifying costs.
- d. Monitor the expenditure of proceeds of issue and investment earnings for qualifying costs.
- e. Monitor private use of financed facilities and equipment to ensure compliance with applicable limitations on such use. Examples of potential private use include:
- f. Sale or disposition of interests in the facilities or equipment, including sale of naming rights;
- g. Lease or sub-lease of the facilities or equipment (including leases, easements or use arrangements for areas outside the four walls, e.g., hosting of cell phone towers) or leasehold improvement contracts;
- h. Management contracts (in which the Issuer authorizes a third party to operate a facility, e.g., cafeteria) and research contracts;
- i. Preference arrangements (in which the Issuer permits a third-party preference, such as parking in a public parking lot);
- j. Joint ventures, limited liability companies or partnership arrangements;
- k. Output contracts or other contracts for use of utility facilities (including contracts with large utility users);
- l. Development agreements which provide for guaranteed payments or property values from a developer;
- m. Grants or loans made to private entities, including special assessment agreements; and
- n. Naming rights arrangements.

Monitoring of private use should include the following:

- a) Procedures to review the amount of existing private use on an annual basis; and

b) Procedures for identifying in advance any new sale, lease or license, management contract, sponsored research arrangement, output or utility contract, development agreement or other arrangement involving private use of financed facilities or equipment and for obtaining copies of any sale agreement, lease, license, management contract, research arrangement or other arrangement for review by bond counsel.

If the Compliance Officer identifies private use of facilities financed with tax-exempt or tax-advantaged Bonds, the Compliance Officer will consult with the Issuer's bond counsel to determine whether private use will adversely affect the tax status of the issue and if so, what remedial action is appropriate. The Compliance Officer should retain all documents related to any of potential private uses.

Qualified Tax-Exempt Bonds

If the Issuer issues "qualified tax-exempt obligations" in any year, the Compliance Officer shall monitor all tax-exempt financings (including lease purchase arrangements and other similar financing arrangements and conduit financings on behalf of 501(c)(3) organizations) to assure that the \$10,000,000 "small issuer" limit is not exceeded.

Reissuance

The Compliance Officer will identify and consult with bond counsel regarding any post-issuance change to any terms of an issue of Bonds which could potentially be treated as a reissuance for federal tax purposes.

Record Retention

The Compliance Officer will:

- a) Coordinate with staff regarding the records to be maintained by the Issuer to establish and ensure that an issue remains in compliance with applicable federal tax requirements for the life of such issue.
- b) Coordinate with staff to comply with provisions imposing specific recordkeeping requirements and cause compliance with such provisions, where applicable.

c) Coordinate with staff to generally maintain the following:

- i. The Transcript relating to the transaction (including any arbitrage or other tax certificate and the bond counsel opinion);
 - ii. Documentation evidencing expenditure of proceeds of the issue;
 - iii. Documentation regarding the types of facilities financed with the proceeds of an issue, including, but not limited to, whether such facilities are land, buildings or equipment, economic life calculations and information regarding depreciation.
 - iv. Documentation evidencing use of financed property by public and private entities (e.g., copies of leases, management contracts, utility user agreements, developer agreements and research agreements);
 - v. Documentation evidencing all sources of payment or security for the issue; and
 - vi. Documentation pertaining to any investment of proceeds of the issue (including the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received by the investment of proceeds, guaranteed investment contracts, and rebate calculations).
- d) Coordinate the retention of all records in a manner that ensures their complete access to the IRS.
- e) Keep all material records for so long as the issue is outstanding (including any refunding), plus three years.

Annual Report

The Compliance Officer shall prepare an annual report (the "IRC Annual Report") confirming that the Issuer is in compliance with the Policy as it relates to Tax-Exempt Bonds and Tax Advantaged Bonds and shall submit such IRC Annual Report to the Treasurer and the Village Board.

Continuing Disclosure

Under the provisions of SEC Rule 15c2-12 (the "Rule"), Participating Underwriters (as defined

in the Rule) are required to determine that issuers (such as the Issuer) have entered into written Continuing Disclosure Agreements to make ongoing disclosure in connection with Offerings subject to the Rule. Unless the Issuer is exempt from compliance with the Rule or the continuing disclosure provisions of the Rule as a result of certain permitted exemptions, the Transcript for each issue of related securities will include a Continuing Disclosure Agreement executed by the Issuer.

In order to monitor compliance by the Issuer with its Continuing Disclosure Agreements, the Compliance Officer will, if and as required by such Continuing Disclosure Agreements:

a) Assist in the preparation or review of annual reports ("Annual Reports") in the form required by the related Continuing Disclosure Agreements.

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b) Maintain a calendar, with appropriate reminder notifications, listing the filing due dates relating to dissemination of Annual Reports, which annual due date is generally expressed as a date within a certain number of days (e.g., 180 days) following the end of the Issuer's fiscal year (the "Annual Report Due Date"), as provided in the related Continuing Disclosure Agreements.

c) Ensure timely dissemination of the Annual Report by the Annual Report Due Date, in the format and manner provided in the related Continuing Disclosure Agreements, which may include transmitting such filing to the Municipal Securities Rulemaking Board ("MSRB") through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB.

d) Monitor the occurrence of any "Material Event" (as defined in the Continuing Disclosure Agreements) and timely file notice of the occurrence of any such Material Event in the manner provided under the Continuing Disclosure Agreements. To be timely filed, such notice must be transmitted within 10 business days (or such other time period as set forth in the Continuing Disclosure Agreements) of the occurrence of such Material Event.

- e) Ensure timely dissemination of notice of any failure to perform under a Continuing Disclosure Agreement, if and as required by the Continuing Disclosure Agreement.
- f) Respond to requests, or ensure that the Issuer Contact (as defined in the Continuing Disclosure Agreement) responds to requests, for information under the Rule, as provided in the Continuing Disclosure Agreements.
- g) Monitor the performance of any dissemination agent(s) engaged by the Issuer to assist in the performance of any obligation under the Continuing Disclosure Agreements.

Annual Report

The Compliance Officer shall prepare an annual report (the "Continuing Disclosure Annual Report") confirming that the Issuer is in compliance with Rule 15c2-12 and any Continuing Disclosure Agreement and shall submit such Annual Report to the Treasurer and the Village Board.

On motion of Trustee Hotchkiss, seconded Trustee Linerode, all aye, the village board agreed to reduce Craig Giancola's quarterly sewer/water bill to only one sewer unit due to a fire that occurred at the laundromat (3262 Main Street) and being unsure of the future status of this business.

On motion of Trustee Hotchkiss, seconded Trustee Linerode, all aye, the board entered into executive session at 7:00 pm to discuss possible litigation. On motion of Trustee Linerode, seconded Trustee Harter, all aye, the board returned to open session at 7:15 pm.

The Village Board was presented with a request from Sandra Brown, President of Grandma Brown's Beans Inc. requesting a revised quarterly sewer bill. The board agreed to take no action in regards to her request.

The meeting adjourned at 7:18 pm on motion of Trustee Emery, seconded Trustee Harter, all aye.

Respectfully submitted,

Traci Wallace

Village Clerk