

MINUTES OF THE BOARD OF TRUSTEES MEETING HELD ON AUGUST 1, 2014 AT 105 BROADWAY, SALTAIRE, NEW YORK.

Mayor Cox called the Board of Trustees meeting to order at 6:00 p.m. and the following were in attendance:

Robert Lynn Cox III, Mayor
John A. Zaccaro Jr, Trustee
Frank Wolf, Trustee
Ann Connolly, Trustee
Joseph Prokop, Village Attorney
Mario Posillico, Administrator & Clerk
Donna Lyudmer, Village Treasurer
Georgine Posillico, Account Clerk
Dennis Foley, Security Chief
And approximately 50 other attendees in Saltaire

APPROVAL OF MINUTES

Draft copies of the minutes of the meetings of July 5, 2014 having been previously presented to the Board and posted in draft form on the Village web site, were presented for adoption. After discussion, and all having a chance to be heard, Trustee Zaccaro made a motion to adopt the minutes as presented. The motion was seconded by Trustee Connolly, and the motion was carried according to the following vote:

Motion: Trustee Zaccaro

Seconded: Trustee Connolly

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Connolly

Against: None

ABSTRACT AUDIT

Mayor Cox stated that the following Abstract, having been distributed to all in attendance and posted on the Village website, was presented for approval by the Village Administrator and the Village Treasurer:

General Checking No. 2B in the amount of \$154,909.94

After discussion and opportunity for questions, Trustee Wolf made a motion that General Checking Abstract 2B be approved as presented and that the Mayor be authorized to execute the warrants. The motion was seconded by Trustee Zaccaro, and the motion was carried according to the following:

Motion: Trustee Wolf

Seconded: Trustee Zaccaro

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Connolly

Against: None

Mayor Cox stated that the following Abstract, having been distributed to all in attendance and posted on the Village website, was presented for approval by the Village Administrator and the Village Treasurer:

Capital Checking No. 2B in the amount of \$848,848.07

After discussion and opportunity for questions, Trustee Zaccaro made a motion that Capital Checking Abstract 2B be approved as presented and that the Mayor be authorized to execute the warrants. The motion was seconded by Trustee Connolly, and the motion was carried according to the following:

Motion: Trustee Zaccaro

Seconded: Trustee Connolly

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Connolly

Against: None

Mayor Cox stated that the following Abstract, having been distributed to all in attendance and posted on the Village website, was presented for approval by the Village Administrator and the Village Treasurer:

Trust & Agency No. 2B in the amount of \$5,000.00

After discussion and opportunity for questions, Trustee Wolf made a motion that Trust & Agency Checking Abstract 2B be approved as presented and that the Mayor be authorized to execute the warrants. The motion was seconded by Trustee Zaccaro, and the motion was carried according to the following:

Motion: Trustee Wolf

Seconded: Trustee Zaccaro

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Chefetz, Trustee Connolly

Against: None

BOARD MEMBER ARRIVED

At 6:05 p.m., after the arrival of Trustee Chefetz, the following were in attendance:

Robert Lynn Cox III, Mayor
John A. Zaccaro Jr, Trustee
Alex K. Chefetz, Trustee
Frank Wolf, Trustee
Ann Connolly, Trustee
Joseph Prokop, Village Attorney
Mario Posillico, Administrator & Clerk
Donna Lyudmer, Village Treasurer
Georgine Posillico, Account Clerk
Dennis Foley, Security Chief
And approximately 50 other attendees in Saltaire

STATUS – SALTAIRE MARKET REDEVELOPMENT

Mayor Cox provided an overview of the current status of the property located at 100 Broadway, also known as the Saltaire Market. He stated that the Village had closed on the property on July 29th, and had undertaken efforts to clean-up the property so that it looked more presentable for the rest of the summer. He then provided an overview of the process the Board has undertaken to redevelop the property in anticipation of a grocery market reopening for the summer of 2015. He described and presented renderings of the most recent schematic design for redevelopment, which had been modified based on continuing input from the architectural design committee convened for that purpose. He then presented the estimated cost of the project, financing options, and the potential impacts on operating budgets and tax rates. Mayor Cox then opened the floor first to the Board members and then to the attendees for comments and questions. After all having a chance to be heard, Mayor Cox moved on to the rest of the agenda.

AUTHORIZATION TO SOLICIT BIDS AND PROPOSALS

Administrator Posillico reported that the solicitation of bids and proposals are necessary for the timely continuation of both the Saltaire Market Redevelopment Project and the FIMI Beach Project. After discussion, Trustee Connolly made a motion to authorize Administrator Posillico to solicit Bids and Request for Proposals for the following:

- Asbestos Removal – 100 Broadway
- Building Demolition – 100 Broadway
- Sanitary System and Foundation Installation – 100 Broadway
- Survey and Easement Development – Beach Re-nourishment Project

The motion was seconded by Trustee Zaccaro, and on call it was approved according to the following action:

Motion: Trustee Connolly

Seconded: Trustee Zaccaro

In Favor: Trustee Wolf, Trustee Zaccaro, Trustee Chefetz, Trustee Connolly

Against: None

REVENUE ANTICIPATION NOTE RESOLUTION, DATED AUGUST 1, 2014, AUTHORIZING THE ISSUANCE OF UP TO \$3,000,000 AGGREGATE PRINCIPAL AMOUNT REVENUE ANTICIPATION NOTES OF THE VILLAGE OF SALTAIRE, IN SUFFOLK COUNTY, NEW YORK, PURSUANT TO THE LOCAL FINANCE LAW, IN ANTICIPATION OF PROCEEDS FROM THE SALE OF VARIOUS VILLAGE PROPERTIES TO FUND THE REDEVELOPMENT OF THE VILLAGE MARKET.

Trustee Chefetz made the following motion:

WHEREAS, the Village of Saltaire (the “Village”), a Village and a political subdivision of the State of New York (the “State”), located in Suffolk County, desires to issue revenue anticipation notes in anticipation of the receipt of proceeds from the sale of various Village-owned properties to fund the redevelopment of the Village Market, a mixed-use structure providing general services to persons in the Village to be received in and for the Village in its 2014 and 2015 fiscal years; and

WHEREAS, the Board of Trustees of the Village has considered all material factors which may contribute to the economic and asset values of various village-owned property, and now determines that the likely sale price of the various Village-owned property to be used to fund the redevelopment of the Village Market will be no less than \$3,000,000 and further determines there is no material reason to expect sale proceeds from the sale of various Village-owned properties to not be received in the Village's 2014 and 2015 fiscal years in amounts sufficient to redeem in full the principal of and interest on obligations issued or to be issued pursuant to this resolution; and

WHEREAS, the receipt of such sale proceeds is expected to be received before the close of the Village's 2015 fiscal year; and

WHEREAS, none of such sale proceeds to be received in such fiscal year has been received as of the date hereof, leaving at least \$3,000,000 of such proceeds not yet received in such fiscal year; and

WHEREAS, during the fiscal years ending May 31, 2014 and May 31, 2015, the actual amount of proceeds expected to be received by the Village is \$3,000,000; and

WHEREAS, no revenue anticipation notes prior to the date of this resolution have been authorized to be issued in anticipation of the receipt of such sale proceeds in such fiscal year;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Village of Saltaire, as follows:

Section 1. There are hereby authorized to be issued revenue anticipation notes of the Village of Saltaire (the "Village") in one or more series, in the aggregate principal amount of up to \$3,000,000 pursuant to the Local Finance Law in anticipation of the receipt of sale proceeds to be received in and for the Village in its 2014 and 2015 fiscal years upon the sale of various Village-owned property to fund the redevelopment of the Village Market; provided, however, that no such notes shall be issued under this resolution at any time in an amount which exceeds the "cumulative cash-flow deficit", within the meaning of the applicable Internal Revenue Code regulations, with respect to proceeds to be received from the sale of the various Village-owned properties. Such notes shall be designated "Village of Saltaire Revenue Anticipation Notes, Series B" (the "Notes").

Section 2. The Notes shall be dated, shall mature, shall be in such denominations and series and shall bear interest at the rate or rates of interest per annum, determined at the time of the sale of the Notes by the Village Treasurer of the Village at private sale or public sale in accordance with the provisions of the Local Finance Law of the State and Chapter 2 of the New York Code of Rules and Regulations.

Section 3. The Board of Trustees of the Village has ascertained and hereby states that (a) at least \$3,000,000 of sale proceeds remains unreceived as of the date hereof for the 2014 and 2015 fiscal years of the Village; (b) no revenue anticipation notes have heretofore been authorized to be issued in anticipation of the receipt of such sale proceeds; (c) no amount has been or will be included in the annual budget of the Village for such fiscal year to offset, in whole or in part, any anticipated deficiency in the receipt during such fiscal year of such sale proceeds to be received for such fiscal year; (d) the Notes are to be issued in anticipation of the receipt of revenues other than real estate taxes and assessments; (e) the date of maturity of the Notes and renewals thereof shall not be extended beyond May 31, 2018, which is the close of the applicable period provided in Section 25.00 of the Local Finance Law for the maturity of the Notes; and (f) all earnings from the proceeds of the Notes, if any, shall be applied for payment of interest on the Notes when due and payable or for payment of other governmental purposes of the Village within the meaning of the United States Treasury Regulations or other such regulations in effect or proposed on the date of the Notes.

Section 4. Subject to the provisions of Section 9 of this resolution, pursuant to the provisions of Sections 30.00, 50.00, 56.00 and 60.00, inclusive, of the Local Finance Law, the power to sell, issue and deliver and to prescribe the terms, form and contents of the Notes is hereby delegated to the Village Treasurer of the Village, as the chief fiscal officer of the Village. The Village Treasurer of the Village is hereby authorized to execute the Notes on behalf of the Village and the Village Clerk is hereby authorized to affix the seal of the Village to the Notes and to attest such seal. The Village Treasurer of the Village is hereby authorized to deliver the Notes to the purchaser thereof upon receipt in full of the purchase price thereof.

Section 5. The faith and credit of the Village hereby is and shall be irrevocably pledged for the punctual payment of the principal of and interest on all obligations authorized and issued pursuant to this resolution, as the same shall become due.

Section 6. The Village Treasurer of the Village is hereby directed to file with the Board of Trustees of the Village certificates reporting the date of the Notes, the date the Notes mature, the rates of interest payable on the Notes, the purchaser of the Notes and a statement to the effect that the power of the Village Treasurer of the Village to sell, issue and deliver the Notes is in full force and effect and has not been modified, amended or revoked prior to the delivery of and payment for the Notes, and such other certificates as may be delivered to the purchaser or purchasers of the Notes.

Section 7. The Village covenants for the benefit of the holders of the obligations authorized herein that it will not make any use of the proceeds of such obligations, any funds reasonably expected to be used to pay the principal of or interest on such obligations or any other funds of the Village, and will not make any use of the facilities financed with the proceeds of such obligations which would cause the interest on such obligations to become subject to federal income taxation under the Internal Revenue Code of 1986, as amended (the "Code") (except for the alternative minimum tax imposed on corporations by Section 55 of the Code) or subject the Village to any penalties under Section 148 of the Code, and that it will not take any action or omit to take any action with respect to such obligations, the proceeds thereof or any facilities financed thereby if such action or omission would cause the interest on such obligations to become subject to federal income taxation under the Code (except for the alternative minimum tax imposed on corporations by Section 55 of the Code) or subject the Village to any penalties under Section 148 of the Code. The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of such obligations or any other provisions hereof until the date which is 60 days after the final maturity date or earlier prior redemption date thereof. The proceeds of such Notes may be applied to reimburse expenditures or commitments made for such purpose on or after a date which is not more than 60 days prior to the adoption date of this revenue anticipation note resolution by the Village.

Section 8. For the benefit of the holders and beneficial owners from time to time of the obligations authorized pursuant to this resolution (the "obligations"), the Village agrees, in accordance with and as an obligated person with respect to the obligations, under Rule 15c2-12 promulgated by the Securities Exchange Commission pursuant to the Securities Exchange Act of 1934 (the "Rule"), to provide or cause to be provided such financial information and operating data, financial statements and notices, in such manner, as may be required for purposes of the Rule. In order to describe and specify certain terms of the Village's continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the Village Treasurer of the Village is authorized and directed to sign and deliver, in the name and on behalf of the Village, the commitment authorized by subsection 6(c) of the Rule (the "Commitment") to be placed on file with the Village Clerk, which shall constitute the continuing disclosure agreement made by the Village for the benefit of holders and beneficial owners of the obligations in accordance with the Rule, with any changes or amendments that are not inconsistent with this resolution and not substantially adverse to the Village and that are approved by the Village Treasurer of the Village on behalf of the Village, all of which shall be conclusively evidenced by the signing of the Commitment or amendments thereto. The agreement formed, collectively, by this paragraph and the Commitment, shall be the Village's continuing disclosure agreement for purposes of the Rule, and its performance shall be subject to the availability of funds and their annual appropriation to meet costs the Village would be required to incur to perform thereunder. The Village Treasurer of the Village is further authorized and directed to establish procedures in order to ensure compliance by the Village with its continuing disclosure agreement, including the timely provision of information and notices. Prior to making any filing in accordance with the agreement or providing notice of the occurrence of any material event, the Village Treasurer of the Village shall consult with, as appropriate, the Village attorney and bond counsel or other qualified independent special counsel to the Village. The Village Treasurer of the Village acting in the name and on behalf of the Village, shall be entitled to rely upon any legal advice provided by the Village attorney or such bond counsel or other special counsel in determining whether a filing should be made.

Section 9. This resolution shall take effect immediately, provided that the Village Treasurer shall provide 60 days written notice to the Board of Trustees prior to commencing legal proceedings to issue and sell any of the Notes, and the Board of Trustees upon receipt of such notice at any time thereafter may repeal and revoke the powers granted in Section 4 of this resolution for any reason.

The motion was seconded by Trustee Wolf, and on call it was approved according to the following action:

Motion: Trustee Chefetz

Seconded: Trustee Wolf

In Favor: Trustee Wolf, Trustee Zaccaro, Trustee Chefetz, Trustee Connolly

Against: None

REVENUE ANTICIPATION NOTE RESOLUTION, DATED AUGUST 1, 2014, AUTHORIZING THE ISSUANCE OF UP TO \$8,945,238 AGGREGATE PRINCIPAL AMOUNT REVENUE ANTICIPATION NOTES OF THE VILLAGE OF SALTAIRE, IN SUFFOLK COUNTY, NEW YORK, PURSUANT TO THE LOCAL FINANCE LAW, IN ANTICIPATION OF THE RECEIPT OF FINANCIAL ASSISTANCE FROM THE U.S. FEDERAL EMERGENCY MANAGEMENT AGENCY FOR RECONSTRUCTION OF VILLAGE FACILITIES TO BE RECEIVED IN AND FOR THE VILLAGE IN ITS 2014 AND 2015 FISCAL YEARS.

Trustee Zaccaro made the following motion:

WHEREAS, the Village of Saltaire (the “Village”), a Village and a political subdivision of the State of New York (the “State”), located in Suffolk County, desires to issue revenue anticipation notes in anticipation of the receipt of financial assistance from the U.S. Federal Emergency Management Agency (“FEMA”) for the reconstruction of Village facilities made uninhabitable as a result of severe storm damage to be received in and for the Village in its 2014 and 2015 fiscal years; and

WHEREAS, the Board of Trustees of the Village in its negotiations with FEMA is unaware of any material reason why such financial assistance should not be received in the Village’s 2014 and 2015 fiscal years in amounts sufficient to redeem in full the principal of and interest on obligations issued or to be issued pursuant to this authorization; and

WHEREAS, the receipt of such financial assistance is expected to be received before the close of the Village’s 2014 and 2015 fiscal years; and

WHEREAS, none of such financial assistance to be received in such fiscal year has been received as of the date hereof, leaving at least \$8,945,238 of such financial assistance not yet received in such fiscal year; and

WHEREAS, during the fiscal years ending May 31, 2014 and May 31, 2015, the actual amount of financial assistance from FEMA expected to be received by the Village is \$8,945,238; and

WHEREAS, no revenue anticipation notes prior to the date of this resolution have been authorized to be issued in anticipation of the receipt of such financial assistance in such fiscal year;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Village of Saltaire, as follows:

Section 1. There are hereby authorized to be issued revenue anticipation notes of the Village of Saltaire (the “Village”) in one or more series, in the aggregate principal amount of up to \$8,945,238 pursuant to the Local Finance Law in anticipation of the receipt of financial assistance from the U.S. Federal Emergency Management Agency (“FEMA”) to be received in and for the Village in its 2014 and 2015 fiscal years for reconstruction of Village facilities made uninhabitable as a result of severe storm damage, provided, however, that no such notes shall be issued under this resolution at any time in an amount which exceeds the “cumulative

cash-flow deficit”, within the meaning of the applicable Internal Revenue Code regulations, with respect to the project costs to be financed with financial assistance from FEMA. Such notes and any renewals thereof shall be designated “Village of Saltaire Revenue Anticipation Notes, Series A” (the “Notes”).

Section 2. The Notes shall be dated, shall mature, shall be in such denominations and series and shall bear interest at the rate or rates of interest per annum, determined at the time of the sale of the Notes by the Village Treasurer of the Village at private sale or public sale in accordance with the provisions of the Local Finance Law of the State and Chapter 2 of the New York Code of Rules and Regulations.

Section 3. The Board of Trustees of the Village has ascertained and hereby states that (a) at least \$8,945,238 of financial assistance from FEMA remains unreceived as of the date hereof for the 2014 and 2015 fiscal years of the Village; (b) no revenue anticipation notes have heretofore been authorized to be issued in anticipation of the receipt of such State aid; (c) no amount has been or will be included in the annual budget of the Village for such fiscal year to offset, in whole or in part, any anticipated deficiency in the receipt during such fiscal year of such State aid to be received for such fiscal year; (d) the Notes are to be issued in anticipation of the receipt of revenues other than real estate taxes and assessments; (e) the date of maturity of the Notes and renewals thereof shall not be extended beyond May 31, 2018, which is the close of the applicable period provided in Section 25.00 of the Local Finance Law for the maturity of the Notes; and (f) all earnings from the proceeds of the Notes, if any, shall be applied for payment of interest on the Notes when due and payable or for payment of other governmental purposes of the Village within the meaning of the United States Treasury Regulations or other such regulations in effect or proposed on the date of the Notes.

Section 4. Subject to the provisions of Section 9 of this resolution, pursuant to the provisions of Sections 30.00, 50.00, 56.00 and 60.00, inclusive, of the Local Finance Law, the power to sell, issue and deliver and to prescribe the terms, form and contents of the Notes is hereby delegated to the Village Treasurer of the Village, as the chief fiscal officer of the Village. The Village Treasurer of the Village is hereby authorized to execute the Notes on behalf of the Village and the Village Clerk is hereby authorized to affix the seal of the Village to the Notes and to attest such seal. The Village Treasurer of the Village is hereby authorized to deliver the Notes to the purchaser thereof upon receipt in full of the purchase price thereof.

Section 5. The faith and credit of the Village hereby is and shall be irrevocably pledged for the punctual payment of the principal of and interest on all obligations authorized and issued pursuant to this resolution, as the same shall become due.

Section 6. The Village Treasurer of the Village is hereby directed to file with the Board of Trustees of the Village certificates reporting the date of the Notes, the date the Notes mature, the rates of interest payable on the Notes, the purchaser of the Notes and a statement to the effect that the power of the Village Treasurer of the Village to sell, issue and deliver the Notes is in full force and effect and has not been modified, amended or revoked prior to the delivery of and payment for the Notes, and such other certificates as may be delivered to the purchaser or purchasers of the Notes.

Section 7. The Village covenants for the benefit of the holders of the obligations authorized herein that it will not make any use of the proceeds of such obligations, any funds reasonably expected to be used to pay the principal of or interest on such obligations or any other funds of the Village, and will not make any use of the facilities financed with the proceeds of such obligations which would cause the interest on such obligations to become subject to federal income taxation under the Internal Revenue Code of 1986, as amended (the “Code”) (except for the alternative minimum tax imposed on corporations by Section 55 of the Code) or subject the Village to any penalties under Section 148 of the Code, and that it will not take any action or omit to take any action with respect to such obligations, the proceeds thereof or any facilities financed thereby if such action or omission would cause the interest on such obligations to become subject to federal income taxation under the Code (except for the alternative minimum tax imposed on corporations by Section 55 of the Code) or subject the Village to any penalties under Section 148 of the Code. The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of such obligations or any other provisions hereof until the date which is 60 days after the final maturity date or earlier prior redemption date thereof. The proceeds of such Notes may be applied to reimburse expenditures or commitments made for such purpose on or after a date which is not more than 60 days prior to the adoption date of this revenue anticipation note resolution by the Village.

Section 8. For the benefit of the holders and beneficial owners from time to time of the obligations authorized pursuant to this resolution (the “obligations”), the Village agrees, in accordance with and as an obligated person with respect to the obligations, under Rule 15c2-12 promulgated by the Securities

Exchange Commission pursuant to the Securities Exchange Act of 1934 (the “Rule”), to provide or cause to be provided such financial information and operating data, financial statements and notices, in such manner, as may be required for purposes of the Rule. In order to describe and specify certain terms of the Village’s continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the Village Treasurer of the Village is authorized and directed to sign and deliver, in the name and on behalf of the Village, the commitment authorized by subsection 6(c) of the Rule (the “Commitment”) to be placed on file with the Village Clerk, which shall constitute the continuing disclosure agreement made by the Village for the benefit of holders and beneficial owners of the obligations in accordance with the Rule, with any changes or amendments that are not inconsistent with this resolution and not substantially adverse to the Village and that are approved by the Village Treasurer of the Village on behalf of the Village, all of which shall be conclusively evidenced by the signing of the Commitment or amendments thereto. The agreement formed, collectively, by this paragraph and the Commitment, shall be the Village’s continuing disclosure agreement for purposes of the Rule, and its performance shall be subject to the availability of funds and their annual appropriation to meet costs the Village would be required to incur to perform thereunder. The Village Treasurer of the Village is further authorized and directed to establish procedures in order to ensure compliance by the Village with its continuing disclosure agreement, including the timely provision of information and notices. Prior to making any filing in accordance with the agreement or providing notice of the occurrence of any material event, the Village Treasurer of the Village shall consult with, as appropriate, the Village attorney and bond counsel or other qualified independent special counsel to the Village. The Village Treasurer of the Village acting in the name and on behalf of the Village, shall be entitled to rely upon any legal advice provided by the Village attorney or such bond counsel or other special counsel in determining whether a filing should be made.

Section 9. This resolution shall take effect immediately, provided that the Village Treasurer shall provide 60 days written notice to the Board of Trustees prior to commencing legal proceedings to issue and sell any of the Notes, and the Board of Trustees upon receipt of such notice at any time thereafter may repeal and revoke the powers granted in Section 4 of this resolution for any reason.

The motion was seconded by Trustee Wolf, and on call it was approved according to the following action:

Motion: Trustee Zaccaro

Seconded: Trustee Wolf

In Favor: Trustee Wolf, Trustee Zaccaro, Trustee Chefetz, Trustee Connolly

Against: None

REFUNDING BOND RESOLUTION, DATED AUGUST 1, 2014, AUTHORIZING THE ISSUANCE OF REFUNDING SERIAL BONDS OF THE VILLAGE OF SALTALIRE, IN THE COUNTY OF SUFFOLK, STATE OF NEW YORK, PURSUANT TO SECTION 90.10 OF THE LOCAL FINANCE LAW OF THE STATE OF NEW YORK, PROVIDING FOR OTHER MATTERS AND MAKING CERTAIN DETERMINATIONS IN RELATION THERETO AND PROVIDING FOR THE PAYMENT OF THE BONDS TO BE REFUNDED THEREBY.

Trustee Zaccaro made the following motion:

WHEREAS, the Village of Saltaire, located in the county of Suffolk, State of New York (the “Village”) previously issued \$2,950,000 principal amount of Public Improvement Serial Bonds, Series 2005A (the “Refunded Bonds”) pursuant to a certificate of determination of the Village Treasurer (sometimes referred to herein as the “Chief Fiscal Officer”), which Refunded Bonds are dated June 15, 2005 and matured or mature in annual installments on June 15, in each of the years 2007-2025, inclusive, as follows:

\$125,000 in the year 2007,
\$125,000 in the year 2008,
\$125,000 in the year 2009,
\$150,000 in the year 2010,
\$150,000 in the year 2011,
\$150,000 in the year 2012,
\$150,000 in the year 2013,
\$150,000 in the year 2014,
\$150,000 in the year 2015,
\$150,000 in the year 2016,
\$150,000 in the year 2017,
\$150,000 in the year 2018,
\$175,000 in the year 2019,
\$175,000 in the year 2020,
\$175,000 in the year 2021,
\$175,000 in the year 2022,
\$175,000 in the year 2023,
\$175,000 in the year 2024,
\$175,000 in the year 2025, and

WHEREAS, the Refunded Bonds were authorized pursuant to several serial bond resolutions duly adopted by the Board of Trustees of the Village on January 26, 2005 for the objects or purposes described therein and delegated to the Chief Fiscal Officer the power to prescribe the terms, form and contents of and to sell and deliver such serial bonds of the Village; and

WHEREAS, \$1,825,000 aggregate principal amount of the Refunded Bonds currently remain outstanding and unredeemed as of the date hereof; and

WHEREAS, it is hereby determined to be in the public interest of the Village to refund all or a portion of the outstanding Refunded Bonds, by the issuance of the refunding bonds authorized herein pursuant to Section 90.10 of the Local Finance Law (the "Refunding Bonds"); and

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF SALTAIRE, IN THE COUNTY OF SUFFOLK, STATE OF NEW YORK (BY THE AFFIRMATIVE VOTE OF NOT LESS THAN TWO-THIRDS OF THE VOTING STRENGTH OF BOARD OF TRUSTEES OF THE VILLAGE), AS FOLLOWS:

Section 1. For the purpose of refunding all or a portion of the \$1,825,000 outstanding principal amount of the Refunded Bonds providing moneys which, together with the interest earned from the investment of certain of the proceeds of the refunding bonds herein authorized shall be sufficient to pay: (i) the refunded principal amount of the Refunded Bonds; (ii) the aggregate amount of the unmatured interest payable on the Refunded Bonds to and including the date on which any series of the Refunded Bonds which are callable are to be redeemed prior to their respective maturities in accordance with the Refunding Financial Plan (as hereinafter defined) and attached hereto as Exhibit B; (iii) the costs and expenses incidental to the issuance of the Refunding Bonds as hereinafter authorized and as described in Exhibit A, including without limitation, the development of the Refunding Financial Plan, costs and expenses of executing and performing the terms and conditions of the Escrow Contract (as hereinafter defined), and any securities supply contract, the premium with respect to any bond insurance policy or policies acquired with respect to the Refunding Bonds (as defined below), discount or compensation of underwriters, fees of bond counsel and financial advisors, rating agency fees, printing and service agency fees and expenses, and fees and charges of the Escrow Holder (as hereafter described); and (iv) the redemption premium, if any, to be paid on any series of the Refunded Bonds which are to be called prior to their respective maturities; there are hereby authorized to be issued in one or more series not exceeding \$2,000,000 aggregate principal amount of refunding serial bonds of the Village pursuant to the provisions of Section 90.10 of

the Local Finance Law, it being anticipated that the par amount of Refunding Bonds actually to be issued will be approximately \$1,860,000 as provided in Section 4 hereof. The proposed principal amounts and dates of maturity of such Refunding Bonds are set forth in the Refunding Financial Plan attached hereto.

Section 2. It is hereby determined pursuant to Section 90.10 that:

(a) the maximum amount of the Refunding Bonds authorized to be issued pursuant to this resolution does not exceed the limitation imposed by subdivision 1 of paragraph (b) of Section 90.10 of the Local Finance Law with respect to each series of the Refunded Bonds;

(b) the aggregate amount of estimated present value savings computed in accordance with subparagraph (a) of subdivision 2 of paragraph b of Section 90.10 of the Local Finance Law is not expected to be less than three percent (3.0%) of debt service on the Refunded Bonds paid to stated maturity.

(c) The Board of Trustees is hereby authorized and directed to enter into an escrow contract (the "Escrow Contract") with a bank or trust company located and authorized to do business in this State as the Board of Trustees shall designate (the "Escrow Holder") for the purpose of having the Escrow Holder act, in connection with the Refunding Bonds, as the escrow holder to perform the services described in Section 90.10 of the Local Finance Law. In addition, the Escrow Contract may include a forward supply or purchase contract or agreement as part thereof or as a separate agreement for the provision of acquiring obligations of the United States of America or unconditionally guaranteed by the United States of America or other obligations or instruments qualified under Section 90.10 of the Local Finance Law or may be necessary for the completion of the Refunding Financial Plan. The Escrow Contract shall contain such terms and conditions as shall be necessary or required, including terms and conditions required for the completion of the Refunding Financial Plan, including provisions for the Escrow Holder, without further authorization or direction from the Board of Trustees of the Village, except as otherwise provided therein, including, without limitation, (i) to make all required payments of principal, interest and any redemption premiums to appropriate paying agents with respect to the Refunded Bonds, (ii) to pay costs and expenses incidental to the issuance of the Refunding Bonds, including the development of the Refunding Financial Plan, and of executing and performing the terms and conditions of the Escrow Contract by the Escrow Holder, (iii) at the appropriate time or times, to cause to be given on behalf of the Village in the manner provided by law the notice of redemption authorized to be given pursuant to Section 8 hereof, and (iv) to invest the moneys held by the Escrow Holder pursuant to the terms of the Escrow Contract and consistent with the provisions of the Refunding Financial Plan. The Escrow Contract shall be irrevocable and shall constitute a covenant with the owners of the Refunding Bonds.

(d) The proceeds, inclusive of any premium, from the sale of the Refunding Bonds, immediately upon receipt, shall be placed in escrow by the Village with the Escrow Holder pursuant to the terms of the Escrow Contract. All moneys held by the Escrow Holder shall be invested only in direct obligations of the United States of America, in obligations the principal of and interest on which are unconditionally guaranteed by the United States of America or in obligations or instruments qualified under Section 90.10 of the Local Finance Law, which obligations or instruments shall mature or be subject to redemption at the option of the Escrow Holder not later than the respective dates when such moneys will be required to make payments in accordance with the Escrow Contract and the Refunding Financial Plan. Any such moneys remaining in the custody of the Escrow Holder after the performance in full of the Escrow Contract by the Escrow Holder shall be returned to the Village and shall be applied by the Village Treasurer to the payment of the principal of or interest on the Refunding Bonds then outstanding, to the payment of any amounts required to be paid to the United States of America in connection of with the refunding of the Refunding Bonds or to the payment of or reimbursement for the costs of issuance or other administrative costs incurred in connection with the issuance of the Refunding Bonds. In connection with the investment of moneys held by the Escrow Holder under the Escrow Contract, the Village Treasurer is authorized to execute on behalf of the Village any forward purchase or supply contract for the purchase or supply of the securities described in this subsection (d) at a date subsequent to the delivery of the Refunding Bonds, as is needed to accomplish the purposes of the Refunding Financial Plan.

Section 3. It is hereby determined that the maximum period or periods of probable usefulness permitted by law at the time of the issuance of the Refunded Bonds for each of the objects or purposes for which the Refunded Bonds were issued is no less than as shown in the Certificates of Determination of the Village Treasurer incorporated by reference herein and made a part of this resolution taking into account the earlier of the original date of issuance of any such series of serial bonds or bond anticipation notes funded by such series of Refunded Bonds; and

Section 4. The financial plan for the refunding authorized by this resolution (the "Refunding Financial Plan"), showing the sources and amounts of all moneys required to accomplish such refunding, the estimated present value of the total debt service savings and the basis for the computation of the aforesaid estimated present value of total debt service savings, are set forth in Exhibit B attached hereto and made a part hereof. The Refunding Financial Plan has been prepared based upon the assumption that the Refunding Bonds will be issued in the aggregate principal amount of \$1,860,000 if fully issued and will mature, be of such terms, and bear such interest as set forth in the Refunding Financial Plan. The Board of Trustees of the Village recognizes that the principal amount of the Refunding Bonds, the series, maturities, terms, interest rate or rates borne by the Refunding Bonds, the provisions for redemption thereof prior to maturity and whether or not all of the Refunding Bonds will be insured, and the resulting present value savings are likely to vary from such assumptions and that the Refunding Financial Plan will likely vary from that attached hereto as Exhibit B. The Village Treasurer is hereby authorized and directed to determine the principal amount of the Refunding Bonds to be issued, the series and designation or designations thereof, the time or times of the sale thereof, the maturities and terms thereof, the provisions relating to the redemption of the Refunding Bonds prior to maturity, if any, the rate or rates of interest to be borne thereby, whether or not the Refunding Bonds will be insured in whole or in part or uninsured, and to prepare, or cause to be provided, a final Refunding Financial Plan, all in accordance herewith, and all powers in connection therewith may be exercised by the Village Treasurer; provided, that the terms of the Refunding Bonds to be issued, including the rate or rates of interest borne thereby, shall comply with the requirements of Section 90.10 of the Local Finance Law. The Board of Trustees shall file a copy of a certificate determining the details of the Refunding Bonds and the final Refunding Financial Plan with the Village Administrator/Clerk within ten (10) days after the delivery of the Refunding Bonds, as herein provided.

Section 5. The faith and credit of the Village are hereby irrevocably pledged to the payment of the principal of and interest on the Refunding Bonds as the same respectively become due and payable. An annual appropriation shall be made in each year sufficient to pay the principal of and interest on the Refunding Bonds becoming due and payable in such year. To the extent that the same are not paid from other sources, there shall be annually levied on all the taxable real property in the Village a tax sufficient to pay the principal of and interest on the Refunding Bonds as the same become due and payable.

Section 6. Proceeds from the sale of the Refunding Bonds, including any accrued interest and, together with interest earned thereon, which shall be required for the payment of the principal of and interest on the Refunded Bonds, including any redemption or call premiums, in accordance with the Refunding Financial Plan, shall be irrevocably committed and pledged to such purpose and the owners of the Refunded Bonds shall have a lien upon such moneys and the investments thereof held by the Escrow Holder. The pledge and lien provided by this resolution shall become valid and binding upon the issuance of the Refunding Bonds and the moneys and investments held by the Escrow Holder shall immediately be subject thereto without any further act. Such pledge and lien shall be valid and binding against all parties having claims of any kind in tort, contract, equity, at law or otherwise against the Village irrespective of whether such parties have notice thereof. Neither this resolution, the Escrow Contract, nor any other instrument relating to such pledge and lien, need be filed or recorded.

Section 7. In accordance with the terms of the Refunded Bonds and the provisions of Section 53.00 and of paragraph (h) of Section 90.10 of the Local Finance Law, and subject only to the issuance of the Refunding Bonds, as herein authorized, the Village hereby elects to call in and redeem all or a portion of the Refunded Bonds maturing on and after June 15, 2015 on September 15, 2014. The sum to be paid therefor on such redemption dates shall be the par value thereof plus the redemption premium, if any, as provided in the issuance proceedings for the Refunded Bonds and the accrued interest to such redemption date. The Escrow Holder is hereby authorized and directed to cause notice of such call for redemption to be given in the name of the Village in the manner and within the times provided in the issuance proceedings for the Refunded Bonds. Such notice of redemption shall be in substantially the form attached to the Escrow Contract. Upon the issuance of the Refunding Bonds, the election to call in and redeem the applicable portion of the Refunded Bonds and direction to the Escrow Holder to cause notice thereof to be given as provided in this paragraph shall become irrevocable, provided that this paragraph may be amended from time to time as may be necessary in order to comply with the notice, requirements of paragraph (a) of Section 53.00 of the Local Finance Law, or any successor law thereto. It is hereby determined that with respect to the series of Refunded Bonds to be called in and redeemed as provided in this Section 7, it is to the financial advantage of the Village not to charge, impose

and collect or receive from registered owners of the Refunded Bonds mailing, shipping, insurance or other similar charges in connection with such redemption or calls. Accordingly, pursuant to paragraph (c) of Section 70.00 of the Local Finance Law, no such charges shall be so charged, collected or received by the Chief Fiscal Officer, as fiscal agent.

Section 8. The Refunding Bonds may be sold at either a private or competitive sale and the Village Treasurer is hereby authorized to execute a purchase contract on behalf of the Village for the private sale of the Refunding Bonds, provided that the terms and conditions of such sale shall be approved by the State Comptroller and further provided that, prior to the issuance of the Refunding Bonds the Board of Trustees shall have filed with the Village Administrator/Clerk a certificate approved by the State Comptroller pursuant to subdivision 2 of paragraph (g) of Section 90.10 of the Local Finance Law setting forth the present value savings to the Village resulting from the issuance of the Refunding Bonds. In connection with such sale, the Board of Trustees of the Village hereby authorizes the preparation of an Official Statement and approves its use in connection with such sale, and further consents to the distribution of a Preliminary Official Statement prior to the date said Official Statement is executed and available for distribution, all in accordance with applicable State and Federal securities laws, rules and regulations.

Section 9. The Board of Trustees of the Village hereby appoints the law firm of Squire Patton Boggs (US) LLP of New York, New York, as bond counsel in connection with the issuance and sale of the Refunding Bonds. The Board of Trustees of the Village hereby appoints the firm of Munistat Services Inc. of Port Jefferson Station, New York, as financial advisor in connection with the issuance and sale of the Bonds. The power to appoint the Escrow Holder, as that term is referred to herein, and a senior managing underwriter for the sale of the Refunding Bonds if sold at private sale, is hereby delegated to the Village Treasurer of the Village, as chief fiscal officer of the Village.

Section 10. Each of the Refunding Bonds authorized by this resolution shall contain the recital of validity prescribed by Section 52.00 of the Local Finance Law and the Refunding Bonds shall be general obligations of the Village, payable as to both principal and interest by a general tax upon all the taxable real property within the Village, without limitation as to rate or amount.

Section 11. The Village Treasurer, pursuant to Sections 50.00, 90.00, 90.10 and 168.00 of the Local Finance Law, and all other officers, employees and agents of the Village are hereby authorized and directed for and on behalf of the Village to execute and deliver all certificates and other documents, perform all acts and do all things required or contemplated to be executed, performed or done by this resolution or any document or agreement approved hereby, including to correct or amend the documents and certificates authorized to complete the transactions contemplated by this resolution.

Section 12. All other matters pertaining to the terms, issuance and sale of the Refunding Bonds consistent with the provisions of Section 90.10 of the Local Finance Law shall be determined by the Village Treasurer and the powers in connection therewith not otherwise heretofore delegated thereto are hereby delegated to the Village Treasurer.

Section 13. The Village intends to issue the obligations authorized by this resolution to finance the costs of the purposes described herein for the completion of the Refunding Financial Plan. The Village covenants for the benefit of the holders of the Refunding Bonds that it will not make any use of (a) the proceeds of the Refunding Bonds, any funds reasonably expected to be used to pay the principal of or interest on the Refunding Bonds or any other funds of the Village, and (b) the purposes financed with the proceeds of the Refunding Bonds, which would cause the interest on which to become subject to Federal income taxation under the Internal Revenue Code of 1986, as amended (the "Code") (except for the federal alternative minimum tax imposed on corporations by Section 55 of the Code), or subject the Village to any penalties under Section 148 of the Code, and that it will not take any action or omit to take any action with respect to the Refunding Bonds or the proceeds thereof, if such action or omission would cause the interest on the Refunding Bonds to become subject to Federal income taxation under the Code (except for the federal alternative minimum tax imposed on corporations by Section 55 of the Code), or subject the Village to any penalties under Section 148 of the Code. The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of the Refunding Bonds or any other provision hereof until the date which is sixty (60) days after the final maturity date or earlier prior redemption date thereof. The proceeds of the Refunding Bonds may be applied to reimburse expenditures or commitments made for the purposes on or after a date which is not more than sixty (60) days prior to the adoption date of this resolution by the Village.

Section 14. For the benefit of the holders and beneficial owners from time to time of the Refunding Bonds, the Village agrees, in accordance with and as an obligated person with respect to the Refunding Bonds under, Rule 15c2-12 promulgated by the Securities Exchange Commission pursuant to the Securities Exchange Act of 1934 (the “Rule”), to provide or cause to be provided such financial information and operating data, financial statements and notices, in such manner, as may be required for purposes of the Rule. In order to describe and specify certain terms of the Village’s continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the Village Treasurer is authorized and directed to sign and deliver, in the name and on behalf of the Village, the commitment authorized by subsection 6(c) of the Rule (the “Commitment”) to be placed on file with the Village Administrator/Clerk, which shall constitute the continuing disclosure agreement made by the Village for the benefit of holders and beneficial owners of the Refunding Bonds in accordance with the Rule, with any changes or amendments that are not inconsistent with this resolution and not substantially adverse to the Village and that are approved by the Village Treasurer on behalf of the Village, all of which shall be conclusively evidenced by the signing of the Commitment or amendments thereto. The agreement formed, collectively by this paragraph and the Commitment, shall be the Village’s continuing disclosure agreement for purposes of the Rule, and its performance shall be subject to the availability of funds and their annual appropriation to meet costs the Village would be required to incur to perform thereunder. The Village Treasurer is further authorized and directed to establish procedures in order to ensure compliance by the Village with its continuing disclosure agreement, including the timely provision of information and notices. Prior to making any filing in accordance with the agreement or providing notice of the occurrence of any material event, the Village Treasurer shall consult with, as appropriate, the Village Attorney and bond counsel or other qualified independent special counsel to the Village and shall be entitled to rely upon any legal advice provided by the Village Attorney or such bond counsel or other qualified independent special counsel in determining whether a filing should be made.

Section 15. The validity of the Refunding Bonds may be contested only if such obligations are authorized for objects or purposes for which the Village is not authorized to expend money, or the provisions of law which should be complied with at the date of the publication of this resolution, are not substantially complied with, and an action, suit or proceeding contesting such validity, is commenced within twenty (20) days after the date of publication, or if said obligations are authorized in violation of the provisions of the Constitution of New York.

Section 16. When this bond resolution takes effect, it shall be published in full by the Village Administrator/Clerk, together with a notice in substantially the form prescribed by Section 81.00 of the Local Finance Law, and such publication shall be in The Journal News, a newspaper having a general circulation in the Village and which is hereby designated as the official newspaper of the Village for such purpose.

Section 17. This bond resolution shall take effect immediately upon its adoption by the Board of Trustees of the Vi

Village of Saltaire, New York

Exhibit A to the Refunding Bond Resolution,

Dated August 1, 2014,

of the Village of Saltaire

in the County of Suffolk, State of New York

\$1,860,000 Public Improvement Refunding Serial Bonds - Estimated Debt Service

<u>Maturity Date</u>	<u>Principal Amount</u>
6/15/2015	\$170,000
6/15/2016	160,000
6/15/2017	160,000
6/15/2018	155,000
6/15/2019	180,000
6/15/2020	180,000
6/15/2021	175,000
6/15/2022	175,000
6/15/2023	170,000
6/15/2024	170,000

6/15/2025

165,000

Exhibit B to the Refunding Bond Resolution,
dated August 1, 2014
of the Village of Saltaire,
County of Suffolk, State of New York
Refunding Financial Plan

VILLAGE OF SALTAIRE, SUFFOLK COUNTY, NEW YORK
Estimated Advance Refunding of the Village's
Public Improvement Serial Bonds, Series 2005A

Cash Flow Projections as of July 15, 2014

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Table 1

VILLAGE OF SALTAIRE, SUFFOLK COUNTY, NEW YORK
Estimated Advance Refunding of the Village's
Public Improvement Serial Bonds, Series 2005A

Sources and Uses of Funds

Dated Date: August 15, 2014

Sources of Funds

Par Amount of Bonds	1,860,000.00
Plus: Original Issue Premium (1)	<u>47,077.40</u>
Bond Proceeds	<u><u>1,907,077.40</u></u>

Uses of Funds

Cost of Escrow to Refund the 2005A Bonds (2)	1,844,945.27
--	--------------

Underwriter's Discount (\$7.50 per bond)	13,950.00
All Other Costs of Issuance	45,000.00
Contingency (Rounding)	<u>3,182.13</u>
Total Uses of Funds	<u><u>1,907,077.40</u></u>

(1) See Table 2.

(2) See Table 6.

Table 2

**VILLAGE OF SALTAIRE, SUFFOLK COUNTY, NEW YORK
Estimated Advance Refunding of the Village's
Public Improvement Serial Bonds, Series 2005A**

Bond Production Report

Dated Date: August 15, 2014

Delivery Date: August 15, 2014

First Coupon Date: December 15, 2014

Maturity Date	Principal	Coupon Rate (%)	Yield (%)	Dollar Price	Gross Production
6/15/2015	170,000	3.000	0.640	101.957	173,326.90
6/15/2016	160,000	3.000	0.850	103.902	166,243.20
6/15/2017	160,000	3.000	1.140	105.170	168,272.00
6/15/2018	155,000	3.000	1.440	105.796	163,983.80
6/15/2019	180,000	3.000	1.730	105.862	190,551.60
6/15/2020	180,000	3.000	2.330	103.632	186,537.60
6/15/2021	175,000	3.000	2.580	102.613	179,572.75
6/15/2022	175,000	3.000	2.780	101.536	177,688.00
6/15/2023	170,000	3.000	2.950	100.383	170,651.10
6/15/2024	170,000	3.000	3.080	99.323	168,849.10
6/15/2025	<u>165,000</u>	3.000	3.240	97.819	<u>161,401.35</u>
	<u><u>1,860,000</u></u>				<u><u>1,907,077.40</u></u>

Par Amount	1,860,000.00	
Plus: Net Original Issue Premium	47,077.40	
Gross Production	1,907,077.40	102.531043%
Less: Underwriters Discount	13,950.00	0.750000%
Bid Amount	1,893,127.40	101.781043%
Accrued	0.00	
Net to Issuer	1,893,127.40	
Gross Interest Cost	327,900.00	
Less: Net Premium	33,127.40	
Net Interest Cost	294,772.60	
NIC %	2.696913%	

TIC %	2.664074%
Arbitrage Yield	2.524937%
Bond	
Years	10,930,000
Average Coupon	3.000000
Average Life	5.876344

Table 3

VILLAGE OF SALTAIRE, SUFFOLK COUNTY, NEW YORK
Estimated Advance Refunding of the Village's
Public Improvement Serial Bonds, Series 2005A

Debt Service Schedule

Date	Principal	Coupon Rate (%)	Interest	Period Total	Bond Year Total
12/15/2014			18,600.00	18,600.00	
6/15/2015	170,000.00	3.000	27,900.00	197,900.00	216,500.00
12/15/2015			25,350.00	25,350.00	
6/15/2016	160,000.00	3.000	25,350.00	185,350.00	210,700.00
12/15/2016			22,950.00	22,950.00	
6/15/2017	160,000.00	3.000	22,950.00	182,950.00	205,900.00
12/15/2017			20,550.00	20,550.00	
6/15/2018	155,000.00	3.000	20,550.00	175,550.00	196,100.00
12/15/2018			18,225.00	18,225.00	
6/15/2019	180,000.00	3.000	18,225.00	198,225.00	216,450.00
12/15/2019			15,525.00	15,525.00	
6/15/2020	180,000.00	3.000	15,525.00	195,525.00	211,050.00
12/15/2020			12,825.00	12,825.00	
6/15/2021	175,000.00	3.000	12,825.00	187,825.00	200,650.00
12/15/2021			10,200.00	10,200.00	
6/15/2022	175,000.00	3.000	10,200.00	185,200.00	195,400.00
12/15/2022			7,575.00	7,575.00	
6/15/2023	170,000.00	3.000	7,575.00	177,575.00	185,150.00
12/15/2023			5,025.00	5,025.00	
6/15/2024	170,000.00	3.000	5,025.00	175,025.00	180,050.00
12/15/2024			2,475.00	2,475.00	
6/15/2025	165,000.00	3.000	2,475.00	167,475.00	169,950.00
	<u>1,860,000.00</u>		<u>327,900.00</u>	<u>2,187,900.00</u>	<u>2,187,900.00</u>

Table 4

VILLAGE OF SALTAIRE, SUFFOLK COUNTY, NEW YORK
Estimated Advance Refunding of the Village's
Public Improvement Serial Bonds, Series 2005A

Savings Report

Refunding Serial Bonds - 2014					
Coupon	Period	Bond Year	Refunded	Bond Year	Cumulative

Date	Principal	Rate (%)	Interest	Total	Total	Debt Service	Savings	Savings
12/15/2014			18,600.00	18,600.00				
6/15/2015	170,000.00	3.000	27,900.00	197,900.00	216,500.00	229,843.75	13,343.75	13,343.75
12/15/2015			25,350.00	25,350.00				
6/15/2016	160,000.00	3.000	25,350.00	185,350.00	210,700.00	223,281.25	12,581.25	25,925.00
12/15/2016			22,950.00	22,950.00				
6/15/2017	160,000.00	3.000	22,950.00	182,950.00	205,900.00	216,718.75	10,818.75	36,743.75
12/15/2017			20,550.00	20,550.00				
6/15/2018	155,000.00	3.000	20,550.00	175,550.00	196,100.00	210,156.25	14,056.25	50,800.00
12/15/2018			18,225.00	18,225.00				
6/15/2019	180,000.00	3.000	18,225.00	198,225.00	216,450.00	228,593.75	12,143.75	62,943.75
12/15/2019			15,525.00	15,525.00				
6/15/2020	180,000.00	3.000	15,525.00	195,525.00	211,050.00	220,937.50	9,887.50	72,831.25
12/15/2020			12,825.00	12,825.00				
6/15/2021	175,000.00	3.000	12,825.00	187,825.00	200,650.00	213,281.25	12,631.25	85,462.50
12/15/2021			10,200.00	10,200.00				
6/15/2022	175,000.00	3.000	10,200.00	185,200.00	195,400.00	205,625.00	10,225.00	95,687.50
12/15/2022			7,575.00	7,575.00				
6/15/2023	170,000.00	3.000	7,575.00	177,575.00	185,150.00	197,968.75	12,818.75	108,506.25
12/15/2023			5,025.00	5,025.00				
6/15/2024	170,000.00	3.000	5,025.00	175,025.00	180,050.00	190,312.50	10,262.50	118,768.75
12/15/2024			2,475.00	2,475.00				
6/15/2025	165,000.00	3.000	2,475.00	167,475.00	169,950.00	182,656.25	12,706.25	131,475.00
	<u>1,860,000.00</u>		<u>327,900.00</u>	<u>2,187,900.00</u>	<u>2,187,900.00</u>	<u>2,319,375.00</u>	<u>131,475.00</u>	

Net Present Value Savings, discounted at the Arbitrage Yield on the 2014 Bonds: 118,426.72
Net Present Value Savings as a Percentage of the Par Amount of the 2014 Refunding Issue: 6.3670%
Net Present Value Savings as a Percentage of the Par Amount of Bonds Being Refunded: 6.4891%

Note: Present Value Savings are net of the Initial Transfer Amount of: 3,182.13

Table 5

**VILLAGE OF SALTAIRE, SUFFOLK COUNTY, NEW YORK
Estimated Advance Refunding of the Village's
Public Improvement Serial Bonds, Series 2005A**

Debt Service and Call Report - 2005A Bonds Being Refunded

Date	Original Principal	Original Coupon	Original Interest	Original S/A Debt Service	Bond Year Debt Service	Principal To Escrow	Call Premium	Interest To Escrow	Debt Service To Escrow
9/15/2014						1,825,000.00	0.00	19,960.94	1,844,960.94
#####			39,921.88	39,921.88					
6/15/2015	150,000.00	4.375	39,921.88	189,921.88	229,843.75				
#####			36,640.63	36,640.63					
6/15/2016	150,000.00	4.375	36,640.63	186,640.63	223,281.25				
#####			33,359.38	33,359.38					
6/15/2017	150,000.00	4.375	33,359.38	183,359.38	216,718.75				
#####			30,078.13	30,078.13					
6/15/2018	150,000.00	4.375	30,078.13	180,078.13	210,156.25				
#####			26,796.88	26,796.88					

6/15/2019	175,000.00	4.375	26,796.88	201,796.88	228,593.75				
#####			22,968.75	22,968.75					
6/15/2020	175,000.00	4.375	22,968.75	197,968.75	220,937.50				
#####			19,140.63	19,140.63					
6/15/2021	175,000.00	4.375	19,140.63	194,140.63	213,281.25				
#####			15,312.50	15,312.50					
6/15/2022	175,000.00	4.375	15,312.50	190,312.50	205,625.00				
#####			11,484.38	11,484.38					
6/15/2023	175,000.00	4.375	11,484.38	186,484.38	197,968.75				
#####			7,656.25	7,656.25					
6/15/2024	175,000.00	4.375	7,656.25	182,656.25	190,312.50				
#####			3,828.13	3,828.13					
6/15/2025	175,000.00	4.375	3,828.13	178,828.13	182,656.25				
	<u>1,825,000.00</u>		<u>494,375.00</u>	<u>2,319,375.00</u>	<u>2,319,375.00</u>	<u>1,825,000.00</u>	<u>0.00</u>	<u>19,960.94</u>	<u>1,844,960.94</u>

Int. Start
Date 6/15/2014
Bond
Years 11,300,000
Ave.
Coupon 4.375000
Ave. Life 6.191781

Calls Performed

Call Date	First Maturity Called	Last Maturity Called	Principal Called	Call Price	Call Premium
#####	6/15/2015	6/15/2025	1,825,000.00	100.00	0.00

Munistat Services, Inc., Port Jefferson Station, New York
7/15/2014

Table 6

VILLAGE OF SALTAIRE, SUFFOLK COUNTY, NEW YORK Estimated Advance Refunding of the Village's Public Improvement Serial Bonds, Series 2005A

Description and Cost of the Acquired Obligations

Type	Maturity Date	Par Amount	Coupon Rate (%)	Price (%)	Cost	Accrued Interest	Total Cost
SLGS	9/15/2014	1,844,945.00	0.01%	100.00	1,844,945.00	0.00	1,844,945.00
		<u>1,844,945.00</u>			<u>1,844,945.00</u>	<u>0.00</u>	<u>1,844,945.00</u>

Cost of Escrow

Beginning Cash	0.27
Cost of Securities	<u>1,844,945.00</u>
Total Cost of Escrow	<u>1,844,945.27</u>

Weighted Bond Years	156,694
Weighted Ave. Life	0.084932
Debt Service (P&I):	
Bond Years	153,747
Average Live	0.083333
Yield	0.01019238%

Table 7

**VILLAGE OF SALTAIRE, SUFFOLK COUNTY, NEW YORK
Estimated Advance Refunding of the Village's
Public Improvement Serial Bonds, Series 2005A**

Debt Service on the Acquired Obligations

Type	Maturity Date	Par Amount	Coupon Rate (%)	Interest	Total Revenue
SLGS	9/15/2014	1,844,945.00	0.01%	15.67	1,844,960.67
		<u>1,844,945.00</u>		<u>15.67</u>	<u>1,844,960.67</u>

Weighted Bond Years	156,694
Weighted Ave. Life	0.084932
Debt Service (P&I):	
Bond Years	153,747
Average Live	0.083333
Yield	0.01019238%

Table 8

**VILLAGE OF SALTAIRE, SUFFOLK COUNTY, NEW YORK
Estimated Advance Refunding of the Village's
Public Improvement Serial Bonds, Series 2005A**

Escrow Cash Balancing Report

Date	Escrow Requirement	Income From Acquired Obligs.	Cash Balance
8/15/2014			0.27
9/15/2014	1,844,960.94	1,844,960.67	0.00
	<u>1,844,960.94</u>	<u>1,844,960.67</u>	

Arbitrage Yield on Refunding Bond Issue	2.524937%
Yield on Acquired Obligations (SLGS)	<u>0.010192%</u>
Negative Arbitrage	<u>2.514745%</u>

Dollar Value of Negative Arbitrage: 3,838.01

Munistat Services, Inc., Port Jefferson Station, New York
7/15/2014

The motion was seconded by Trustee Wolf, and the motion was carried according to the following:

Motion: Trustee Zaccaro

Seconded: Trustee Wolf

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Chefetz, Trustee Connolly

Against: None

AUTHORIZATION OF FIRE COMPANY ANNUAL INSTALLATION DINNER BUDGET

Administrator Posillico reported that the Saltaire Volunteer Fire Company's budget for the 2014 installation dinner is \$15,000, inclusive of all costs. Trustee Zaccaro made a motion to authorize the Fire Company to expend up to \$15,000 for its 2014 installation dinner. The motion was seconded by Trustee Chefetz, and the motion was carried according to the following:

Motion: Trustee Zaccaro

Seconded: Trustee Chefetz

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Chefetz, Trustee Connolly

Against: None

AUTHORIZATION FOR MAYOR TO EXECUTE AMBULANCE CONTRACT

Village Attorney Prokop reported that Suffolk County has requested that the Village of Saltaire and the Saltaire Volunteer Fire Company execute a modification to its current ambulance contract to reflect current health information privacy regulations. Trustee Chefetz made a motion to authorize Mayor Cox to execute the requested modification agreement, subject to the Fire Company's execution of the agreement as well. The motion was seconded by Trustee Connolly, and the motion was carried according to the following:

Motion: Trustee Chefetz

Seconded: Trustee Connolly

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Chefetz, Trustee Connolly

Against: None

ELECTRONIC DIRECTORY

Trustee Wolf provided updated cost and logistical information regarding his proposal for the production of an electronic directory for the residents of the Village that would be internet-based with the information to be inputted and maintained by the users. After discussion from the members of the Board and those in attendance, Mayor Cox asked Trustee Wolf to investigate the possibility that the SCAA could take on the project as part of the directory services that they currently provide.

NEXT BOARD MEETING & CLOSE OF MEETING

After all having had a chance to be heard, and there being no further business before the Board, Trustee Zaccaro made a motion at 8:03 pm to close the meeting and to hold the next Board of Trustees meeting at 103 or 105 Broadway, Saltaire, New York, with the exact time and date to be determined. The motion was seconded by Trustee Chefetz, and the motion was carried according to the following action:

Motion: Trustee Zaccaro

Seconded: Trustee Chefetz

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Chefetz, Trustee Connolly

Against: None