

JANUARY 22, 2019

ERRATUM NOTICE

TO THE

PRELIMINARY OFFICIAL STATEMENT DATED JANUARY 16, 2019

of the

CITY OF ITHACA

TOMPKINS COUNTY, NEW YORK

\$15,626,881 Public Improvement (Serial) Bonds, 2019

&

\$16,108,100 Bond Anticipation Notes, 2019 Series A



PLEASE BE ADVISED THAT THE SECTION ENTITLED “CONTINUING DISCLOSURE – Historical Compliance” OF THE PRELIMINARY OFFICIAL STATEMENT FOR THE ABOVE REFERENCED ISSUE SELLING ON WEDNESDAY, JANUARY 23rd, 2019 AT 11:15 A.M. ERRONEOUSLY STATED THE INCORRECT FILING DATE FOR AN OTHER-EVENT BASED DISCLOSURE NOTICE IN THE SECOND FOOTNOTE.

THE SECTION “CONTINUING DISCLOSURE – Historical Compliance” SHOULD READ AS FOLLOWS:

The City is in compliance, in all material respects, with the Rule to the extent possible. However, under a previous continuing disclosure undertaking, the City was required to file with Electronic Municipal Access Market website (“EMMA”) its annual audited financial statements no later than the last business day of each succeeding fiscal year. The City’s audited financial statements for the fiscal years ended December 31, 2010, 2011, 2012, 2013, 2014 and 2015 were not filed with EMMA in a timely manner, by approximately 3 months, 4 months, 5 months, 8 months, 4 months, and 1 month respectively. The City’s 2010 through 2015 audits were not completed by the end of the respective succeeding fiscal years because for a number of years the City had been operating without full staff in the Controller’s office. The City has filed Material Events Notices with EMMA due to the delay in completion of such audits.

The City hired a new Chief of Staff on May 1, 2016, as the previous individual left in September 2015; however, with the hiring of a new Chief of Staff, part-time accountant and improvements to the City’s financial computer programs, the City expects that audited statements will become timelier for the 2018 fiscal year.

Below is a chart listing the dates of the audited financial statements completion and filing dates to EMMA for the fiscal years ending 2010 through 2017:

<u>Audit for Fiscal Year Ending</u>	<u>Audit Completion Date</u>	<u>Audit EMMA Filing Date</u>
December 31, 2010	March 30, 2012	April 19, 2012
December 31, 2011	April 10, 2013	May 8, 2013
December 31, 2012	April 16, 2014	June 17, 2014
December 31, 2013	September 9, 2015	September 14, 2015
December 31, 2014	March 17, 2016	April 7, 2016
December 31, 2015	January 19, 2017	January 20, 2017
December 31, 2016 ⁽¹⁾	September 19, 2017	October 11, 2017
December 31, 2017 ⁽²⁾	September 26, 2018	October 1, 2018

⁽¹⁾ Fieldwork for the Audited Financial Statements for the fiscal year ending December 31, 2016 began on July 17, 2017, and the City reasonably expected for the audit to be completed and available by December 31, 2017. A material event notice relating to the status of the 2016 audit was provided to EMMA on June 30, 2017.

⁽²⁾ Fieldwork for the Audited Financial Statements for the fiscal year ending December 31, 2017 began on July 16, 2018, and the City reasonably expected the audit to be completed and available by December 31, 2018. An other-event based disclosure notice relating to the status of the 2017 Audited Financial Statements was provided to EMMA on June 29, 2018.

See “THE CITY – Independent Audit” herein for further information regarding the completion of the City’s audits.

The City was in the process of finalizing its Annual Financial Update Report Document (unaudited) (“AUD”) for the fiscal year ending December 31, 2016 and therefore was not filed to EMMA filed within the timeline outlined by certain disclosure undertakings of the City. The City’s AUD for the fiscal year ending December 31, 2016 was filed to EMMA on July 14, 2017. A material event notice relating to the City’s failure to provide the AUD within 6 months of the end of the fiscal year was provided to EMMA on June 30, 2017.

The AUD for the fiscal year ending December 31, 2017 was not filed to EMMA filed within the timeline outlined by certain disclosure undertakings of the City. A material event notice relating to the City’s failure to provide the AUD within 6 months of the end of the fiscal year was provided to EMMA on January 16, 2019. The City’s AUD for the fiscal year ending December 31, 2017 was promptly filed to EMMA upon its completion.

The City, on occasion, has failed to provide material event notices relating to bond insurance rating changes as required by an existing continuing disclosure undertaking. A material event notice relating to such bond insurance rating changes was provided to EMMA on August 5, 2014.

On January 4, 2017, the City adopted Municipal Finance Disclosure and Continuing Disclosure Policies and Procedures to ensure proper compliance with SEC Rule 15c2-12 and other various securities laws.

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