NEW ISSUE **(See "Ratings" herein)**

$224,875,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
SCHOOL DISTRICTS REVENUE BOND FINANCING PROGRAM REVENUE BONDS

$124,120,000	$22,065,000	$27,530,000	$39,840,000	$11,320,000
SERIES 2012A	SERIES 2012B	SERIES 2012C	SERIES 2012D	SERIES 2012E

Dated: Date of Delivery **Due: As shown on the inside cover**

Payment and Security: The School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012A (the "Series 2012A Bonds"), the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012B (the "Series 2012B Bonds"), the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012C (the "Series 2012C Bonds"), the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012D (the "Series 2012D Bonds"), and the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012E (the "Series 2012E Bonds" and, together with the Series 2012A Bonds, the Series 2012B Bonds, the Series 2012C Bonds and the Series 2012D Bonds, the "Series 2012 Bonds"), will be special obligations of the Dormitory Authority of the State of New York (the "Authority"), payable solely from and secured by a pledge of payments to be made by certain School Districts (collectively, the "School Districts") in the State of New York (the "State") pursuant to the Financing Agreements (collectively the "Agreements"), dated as of April 1, 2012, between the Authority and such School Districts, and all funds and accounts (except the Arbitrage Rebate Fund) authorized under the Authority's Master School Districts Revenue Bond Financing Program Revenue Bond Resolution adopted May 29, 2002, as amended and supplemented (the "Master Resolution"), and established by the Authority's Series Resolutions, adopted September 21, 2011, authorizing such Series (individually, the "Series 2012A Resolution," the "Series 2012B Resolution," the "Series 2012C Resolution", the "Series 2012D Resolution," and the "Series 2012E Resolution" and, together, the "Series 2012 Resolutions"). None of the funds and accounts established under a Series Resolution to secure a Series of Bonds shall secure any other Series of Bonds. There is no debt service reserve fund securing the Series 2012 Bonds and no real property of any School District secures the Series 2012 Bonds.

Each School District is required under its Agreement to deliver its general obligation bonds (the "School District Bonds") to the Authority to evidence its obligation to repay the loan (the "Loan") to be made by the Authority to the School District from proceeds of the Series of Series 2012 Bonds relating to such Agreement. The principal and redemption price of and interest on the School District Bonds ("Loan Repayments") are scheduled to be sufficient to repay, when due, the principal and redemption price of and interest on the Loan. Each School District is also required under its Agreement to pay such amounts as are required to be paid under the Agreement, including the fees and expenses of the Authority and the Trustee. To secure its payment of all amounts due under its Agreement, each School District under its Agreement has assigned and pledged to the Authority a sufficient portion of public funds apportioned or otherwise made payable by the State to such School District (the "Pledged Revenues"). Each School District has directed and acknowledged that the Pledged Revenues are to be paid directly to the Trustee pursuant to an assignment by the Authority as provided in the Act (as defined herein) and the Memorandum of Understanding among the Authority, the Comptroller of the State and the Commissioner of Education of the State upon the occurrence of certain events of default under its Agreement. Each Series of the Series 2012 Bonds will be separately secured by the pledge and assignment to the Trustee of the payments to be made by each School District to the Authority under its Agreement and on the School District Bonds and the Authority's interest in the Pledged Revenues pledged and assigned to the Authority under the Agreements.

Each School District will pledge its full faith and credit to the payment of the principal of and interest on the School District Bonds it delivers to the Authority and has the power and is required under State statutes to levy and collect ad valorem taxes on all taxable property within the School District for such payment.

No School District is obligated to make payments on behalf of any other School District nor are the Pledged Revenues of any School District pledged to secure the obligation of any other School District. A default by any School District could cause a default on the applicable Series of the Series 2012 Bonds. See "PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2012 BONDS."

The Series 2012 Bonds will not be a debt of the State nor will the State be liable thereon. The Authority has no taxing power.

Bond Insurance: The scheduled payment of principal and interest on certain maturities of Series 2012 Bonds as set forth on the inside cover page of this Official Statement (collectively, the "Insured Bonds") when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the insured Bonds by Assured Guaranty Municipal Corp. ("AGM" or the "Insurer").

ASSURED GUARANTY® MUNICIPAL

Description: The Series 2012 Bonds will be issued as fully registered bonds in denominations of $5,000 or any integral multiple thereof. Interest (due each April 1 and October 1, commencing April 1, 2013) on the Series 2012 Bonds will be payable by check or draft mailed to the registered owners of the Series 2012 Bonds at their addresses as shown on the registration books held by the Trustee or, at the option of a registered owner of at least $1,000,000 in principal amount of the Series 2012 Bonds, by wire transfer to such owner, each as of the close of business on the fifteenth day of the month next preceding an interest payment date. The principal and Redemption Price of the Series 2012 Bonds will be payable at the principal corporate trust office of U.S. Bank National Association, New York, New York, the Trustee and Paying Agent or, with respect to Redemption Price, at the option of a Holder of at least $1,000,000 in principal amount of the Series 2012 Bonds, by wire transfer to the Holders of such Series of Series 2012 Bonds as more fully described herein.

The Series 2012 Bonds will be issued initially under a Book-Entry Only System, registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). Individual purchases of beneficial interests in the Series 2012 Bonds will be made in Book-Entry form without certificates. So long as DTC or its nominee is the registered owner of the Series 2012 Bonds, payments of the principal and interest on such Series of Series 2012 Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See "PART 3 – THE SERIES 2012 BONDS – Book-Entry Only System" herein.

Redemption: *The Series 2012 Bonds are subject to redemption prior to maturity as more fully described herein.*

Tax Exemption: In the opinion of Hiscock & Barclay, LLP, Bond Counsel to the Authority, under existing statutes, regulations, rulings and court decisions and assuming compliance with the covenants described herein and the accuracy of certain representations by the Authority and the School Districts (and their successors), interest on the Series 2012 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that interest on the Series 2012 Bonds is not an "item of tax preference" for purposes of the individual and corporate alternative minimum taxes imposed under the Code; provided, however, that interest on the Series 2012 Bonds owned by corporations will be included in the calculation of adjusted current earnings, a portion of which is an adjustment to corporate alternative minimum taxable income for purposes of calculating the alternative minimum tax imposed on corporations. Bond Counsel is further of the opinion that interest on the Series 2012 Bonds is exempt under existing laws from personal income taxes imposed by the State of New York and its political subdivisions (including The City of New York). See "PART 10 – TAX MATTERS" herein regarding certain other tax considerations.

The Series 2012 Bonds are offered when, as and if issued and received by the Underwriters. The offer of the Series 2012 Bonds may be subject to prior sale or may be withdrawn or modified at any time without notice. The offer is subject to the approval of legality by Hiscock & Barclay, LLP, Albany, New York, Bond Counsel to the Authority, and to certain other conditions. Certain legal matters will be passed upon for the Underwriters by their counsel, Bond, Schoeneck & King, PLLC, Syracuse, New York, and for each School District by its respective bond counsel as listed in Appendix B hereto. The Authority expects to deliver the Series 2012 Bonds in New York, New York, on or about June 14, 2012.

Roosevelt & Cross Incorporated **Jefferies**

Blaylock Robert Van, LLC	**Janney Montgomery Scott**	**RBC Capital Markets**
Edward Jones	**Ramirez & Co., Inc.**	**Sterne, Agee & Leach, Inc.**
Fidelity Capital Markets Services	**Raymond James | Morgan Keegan**	**The Williams Capital Group, L.P.**

May 24, 2012

$224,875,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
SCHOOL DISTRICTS REVENUE BOND FINANCING PROGRAM REVENUE BONDS

$124,120,000
SERIES 2012A

Due	Amount	Interest Rate	Yield	CUSIP[1]	Due	Amount	Interest Rate	Yield	CUSIP[1]
Apr. 1, 2013	$1,370,000	2.000%	0.350%	649906WL4	Oct. 1, 2020	$6,415,000	5.000%	2.450%	649906XB5
Oct. 1, 2013	2,940,000	3.000	0.500	649906WM2	Apr. 1, 2021	2,800,000	4.000	2.610	649906XC3
Apr. 1, 2014	2,130,000	3.000	0.850	649906WN0	Oct. 1, 2021	6,745,000	5.000	2.660	649906XD1
Oct. 1, 2014	4,835,000	4.000	0.900	649906WP5	Apr. 1, 2022	2,930,000	5.000	2.760	649906XE9
Apr. 1, 2015	2,205,000	4.000	1.100	649906WQ3	Oct. 1, 2022	7,075,000	5.000	2.810	649906XF6
Oct. 1, 2015	5,045,000	5.000	1.150	649906WR1	Apr. 1, 2023†	3,085,000	5.000	2.840[2]	649906XG4
Apr. 1, 2016	2,295,000	4.000	1.350	649906WS9	Oct. 1, 2023†	7,425,000	5.000	2.880[2]	649906XH2
Oct. 1, 2016	5,270,000	5.000	1.400	649906WT7	Apr. 1, 2024†	3,240,000	5.000	2.970[2]	649906XJ8
Apr. 1, 2017	2,385,000	4.000	1.650	649906WU4	Oct. 1, 2024	7,790,000	5.000	3.080[2]	649906XK5
Oct. 1, 2017	5,545,000	5.000	1.710	649906WV2	Apr. 1, 2025†	1,445,000	3.000	3.270	649906XL3
Apr. 1, 2018	2,485,000	4.000	1.910	649906WW0	Oct. 1, 2025	7,595,000	5.000	3.180[2]	649906XM1
Oct. 1, 2018	5,815,000	5.000	1.980	649906WX8	Apr. 1, 2026†	1,490,000	3.000	3.350	649906XN9
Apr. 1, 2019	2,585,000	4.000	2.120	649906WY6	Oct. 1, 2026†	5,770,000	3.000	3.350	649906XP4
Oct. 1, 2019	6,105,000	5.000	2.180	649906WZ3	Apr. 1, 2027†	435,000	3.250	3.400	649906XQ2
Apr. 1, 2020	2,690,000	4.000	2.390	649906XA7	Oct. 1, 2027†	2,900,000	3.250	3.400	649906XS8

$1,365,000 3.500% Term Bonds due October 1, 2032†, Yield: 3.750% CUSIP[1] 649906XR0
$1,915,000 4.000% Term Bonds due October 1, 2038†, Yield: 4.060% CUSIP[1] 649906XT6

$22,065,000
SERIES 2012B

Due	Amount	Interest Rate	Yield	CUSIP[1]	Due	Amount	Interest Rate	Yield	CUSIP[1]
Apr. 1, 2013	$465,000	2.000%	0.300%	649906XU3	Apr. 1, 2017	$665,000	3.000%	1.430%	649906YC2
Oct. 1, 2013	475,000	2.000	0.550	649906XV1	Oct. 1, 2017	695,000	4.000	1.480	649906YD0
Apr. 1, 2014	605,000	3.000	0.750	649906XW9	Apr. 1, 2018	690,000	4.000	1.720	649906YE8
Oct. 1, 2014	625,000	3.000	0.800	649906XX7	Oct. 1, 2018	725,000	4.000	1.770	649906YF5
Apr. 1, 2015	625,000	3.000	0.960	649906XY5	Apr. 1, 2019	715,000	4.000	1.960	649906YG3
Oct. 1, 2015	640,000	4.000	1.010	649906XZ2	Oct. 1, 2019	750,000	4.000	2.030	649906YH1
Apr. 1, 2016	645,000	3.000	1.130	649906YA6	Apr. 1, 2022	810,000	5.000	2.630	649906YL2
Oct. 1, 2016	670,000	4.000	1.180	649906YB4	Oct. 1, 2022	850,000	5.000	2.680	649906YM0

$1,525,000 4.000% Term Bonds due October 1, 2020, Yield: 2.300% CUSIP[1] 649906YJ7
$1,590,000 4.000% Term Bonds due October 1, 2021, Yield: 2.510% CUSIP[1] 649906YK4
$3,575,000 5.000% Term Bonds due October 1, 2024, Yield: 2.920%[3] CUSIP[1] 649906YN8
$3,950,000 5.000% Term Bonds due October 1, 2026, Yield: 3.100%[3] CUSIP[1] 649906YP3
$775,000 3.250% Term Bonds due October 1, 2031, Yield: 3.540% CUSIP[1] 649906YQ1

$27,530,000
SERIES 2012C

Due	Amount	Interest Rate	Yield	CUSIP[1]	Due	Amount	Interest Rate	Yield	CUSIP[1]
Apr. 1, 2013	$840,000	2.000%	0.350%	649906YR9	Apr. 1, 2018	$1,110,000	4.000%	1.870%	649906YW8
Oct. 1, 2013	470,000	2.000	0.500	649906ZB3	Oct. 1, 2018	685,000	4.000	1.930	649906ZG2
Apr. 1, 2014	960,000	3.000	0.780	649906YS7	Apr. 1, 2019	1,155,000	4.000	2.080	649906YX6
Oct. 1, 2014	615,000	3.000	0.810	649906ZC1	Oct. 1, 2019	715,000	4.000	2.140	649906ZH0
Apr. 1, 2015	990,000	4.000	0.980	649906YT5	Apr. 1, 2022	1,300,000	5.000	2.710	649906YY4
Oct. 1, 2015	635,000	3.000	1.050	649906ZD9	Oct. 1, 2022	800,000	5.000	2.760	649906ZL1
Apr. 1, 2016	1,040,000	4.000	1.250	649906YU2	Apr. 1, 2023	1,375,000	5.000	2.850[4]	649906YZ1
Oct. 1, 2016	645,000	3.000	1.300	649906ZE7	Apr. 1, 2027	255,000	3.250	3.350	649906ZA5
Apr. 1, 2017	1,070,000	3.000	1.550	649906YV0	Oct. 1, 2027	760,000	3.125	3.350	649906ZP2
Oct. 1, 2017	665,000	3.000	1.620	649906ZF4					

$1,945,000 4.000% Term Bonds due October 1, 2020, Yield: 2.400% CUSIP[1] 649906ZJ6
$2,020,000 4.000% Term Bonds due October 1, 2021, Yield: 2.600% CUSIP[1] 649906ZK3
$3,165,000 5.000% Term Bonds due October 1, 2024, Yield: 3.000%[4] CUSIP[1] 649906ZM9
$3,360,000 5.000% Term Bonds due October 1, 2026, Yield: 3.180%[4] CUSIP[1] 649906ZN7
$955,000 3.375% Term Bonds due April 1, 2031, Yield: 3.640% CUSIP[1] 649906ZQ0

$39,840,000
SERIES 2012D

Due October 1,	Amount	Interest Rate	Yield	CUSIP[1]	Due October 1,	Amount	Interest Rate	Yield	CUSIP[1]
2013	$1,835,000	2.000%	0.550%	649906ZR8	2020†	$2,035,000	2.500%	2.650%	649906ZY3
2014	2,245,000	3.000	0.880	649906ZS6	2020†	600,000	5.000	2.650	649906B60
2015†	2,305,000	3.000	1.250	649906ZT4	2021†	1,765,000	2.750	2.850	649906ZZ0
2016†	1,400,000	2.000	1.500	649906ZU1	2021†	955,000	5.000	2.850	649906B78
2016†	980,000	4.000	1.500	649906B29	2022†	2,225,000	3.000	3.000	649906A20
2017†	1,945,000	2.000	1.800	649906ZV9	2022†	585,000	5.000	3.000	649906B86
2017†	500,000	5.000	1.800	649906B37	2023†	2,910,000	5.000	3.050[5]	649906A38
2018†	2,115,000	2.000	2.130	649906ZW7	2024†	3,050,000	3.000	3.250	649906A46
2018†	395,000	5.000	2.130	649906B45	2025†	3,145,000	3.125	3.340	649906A53
2019†	2,330,000	2.250	2.370	649906ZX5	2026†	3,245,000	3.125	3.400	649906A61
2019†	240,000	5.000	2.370	649906B52					

$1,015,000 3.500% Term Bonds due October 1, 2032†, Yield: 3.800% CUSIP[1] 649906A79
$1,035,000 4.000% Term Bonds due October 1, 2037†, Yield: 4.060% CUSIP[1] 649906A87
$985,000 4.000% Term Bonds due October 1, 2041†, Yield: 4.100% CUSIP[1] 649906A95

$11,320,000
SERIES 2012E

Due October 1,	Amount	Interest Rate	Yield	CUSIP[1]	Due October 1,	Amount	Interest Rate	Yield	CUSIP[1]
2013	$275,000	2.000%	0.600%	649906B94	2021†	$445,000	2.625%	2.650%	649906C93
2014	385,000	2.000	0.880	649906C28	2022†	455,000	2.750	2.800	649906D27
2015†	390,000	2.000	1.110	649906C36	2023†	470,000	3.000	3.030	649906D35
2016†	400,000	2.000	1.350	649906C44	2024†	485,000	3.000	3.160	649906D43
2017†	405,000	2.000	1.650	649906C51	2025†	495,000	3.125	3.270	649906D50
2018†	415,000	2.000	1.930	649906C69	2026†	330,000	3.250	3.350	649906D68
2019†	425,000	2.250	2.140	649906C77	2027†	340,000	3.250	3.400	649906D76
2020†	435,000	2.500	2.450	649906C85					

$1,885,000 3.500% Term Bonds due October 1, 2032†, Yield: 3.750% CUSIP[1] 649906D84
$3,285,000 4.000% Term Bonds due October 1, 2039†, Yield: 4.060% CUSIP[1] 649906D92

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[1] CUSIP data herein are provided by Standard & Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. CUSIP numbers have been assigned by an independent company not affiliated with the Authority and are included solely for the convenience of the holders of the Series 2012 Bonds. Neither the Authority nor the Underwriters are responsible for the selection or uses of the CUSIP numbers and no representation is made as to their correctness on the Series 2012 Bonds or as indicated above. CUSIP numbers are subject to being changed after the issuance of the Series 2012 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such Series 2012 Bonds or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2012 Bonds.

[2] Priced at stated yield to the October 1, 2022, optional redemption date at a redemption price of 100% of the principal amount of such Series 2012A Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

[3] Priced at stated yield to the October 1, 2022, optional redemption date at a redemption price of 100% of the principal amount of such Series 2012B Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

[4] Priced at stated yield to the October 1, 2022, optional redemption date at a redemption price of 100% of the principal amount of such Series 2012C Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

[5] Priced at stated yield to the October 1, 2022, optional redemption date at a redemption price of 100% of the principal amount of such Series 2012D Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

† Insured by Assured Guaranty Municipal Corp.

No dealer, broker, salesperson or other person has been authorized by the Authority, the School Districts or the Underwriters to give any information or to make any representations with respect to the Series 2012 Bonds, other than the information and representations contained in this Official Statement. If given or made, any such information or representations must not be relied upon as having been authorized by any of the foregoing.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be a sale of the Series 2012 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

Certain information in this Official Statement has been supplied or authorized by the School Districts, DTC and other sources that the Authority believes are reliable. The Authority does not guarantee the accuracy or completeness of such information, and such information is not to be construed as a representation of the Authority. See "PART 17 – SOURCES OF INFORMATION AND CERTIFICATIONS" of the Official Statement for a description of the various sources of information.

The Underwriters have reviewed the information in this Official Statement pursuant to their responsibilities to investors under the federal securities law, but the Underwriters do not guarantee the accuracy or completeness of such information.

AGM makes no representation regarding the Series 2012 Bonds or the advisability of investing in the Series 2012 Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "Bond Insurance" and "Exhibit G - Specimen Municipal Bond Insurance Policy".

References in this Official Statement to the Act, the Master Resolution, the Series 2012 Resolutions, the Agreements and the School District Bonds do not purport to be complete. Refer to the Act, the Master Resolution, the Series 2012 Resolutions, the Agreements and the School District Bonds for full and complete details of their provisions. Copies of the Master Resolution, the Series 2012 Resolutions, the Agreements and the School District Bonds are on file with the Authority and/or the Trustee.

The order and placement of material in this Official Statement, including its appendices, are not to be deemed a determination of relevance, materiality or importance, and all material in this Official Statement, including its appendices, must be considered in its entirety.

Under no circumstances shall the delivery of this Official Statement or any sale made after its delivery create any implication that the affairs of the Authority and the School Districts have remained unchanged after the date of this Official Statement.

If and when included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates" and analogous expressions are intended to identify forward-looking statements as defined in the Securities Act of 1933, as amended, and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, litigation and various other events, conditions and circumstances, many of which are beyond the control of the Authority. These forward-looking statements speak only as of the date of this Official Statement. The Authority disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Authority's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2012 BONDS, THE UNDERWRITERS MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF SUCH BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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DORMITORY AUTHORITY – STATE OF NEW YORK **515 BROADWAY, ALBANY, N.Y. 12207**
PAUL T. WILLIAMS, JR. – PRESIDENT **ALFONSO L. CARNEY, JR. – CHAIR**

OFFICIAL STATEMENT RELATING TO

$224,875,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
SCHOOL DISTRICTS REVENUE BOND FINANCING PROGRAM REVENUE BONDS

$124,120,000	$22,065,000	$27,530,000	$39,840,000	$11,320,000
SERIES 2012A	SERIES 2012B	SERIES 2012C	SERIES 2012D	SERIES 2012E

PART 1 – INTRODUCTION

Purpose of the Official Statement

The purpose of this Official Statement, including the cover page, inside cover page and appendices, is to provide information about the Authority and the School Districts in connection with the offering by the Authority of $124,120,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012A (the "Series 2012A Bonds"), $22,065,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012B (the "Series 2012B Bonds"), $27,530,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012C (the "Series 2012C Bonds"), $39,840,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012D (the "Series 2012D Bonds"), and $11,320,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012E (the "Series 2012E Bonds" and, together with the Series 2012A Bonds, the Series 2012B Bonds, the Series 2012C Bonds and the Series 2012D Bonds, the "Series 2012 Bonds").

The following is a brief description of certain information concerning each Series of the Series 2012 Bonds, the Authority and the participating School Districts. A more complete description of such information and additional information that may affect decisions to invest in the Series 2012 Bonds is contained throughout this Official Statement, which should be read in its entirety. Certain terms used in this Official Statement are defined in Appendix A hereto. Certain information pertaining to the participating School Districts is contained in Appendix B and Appendix C hereto.

Purpose of the Series

The Series 2012 Bonds are being issued and the proceeds will be used: (i) (a) to finance all or a portion of the costs of school district capital facilities and school district capital equipment for the School Districts identified in Appendix B and/or (b) to refinance certain bond anticipation notes of the School Districts identified in Appendix B issued to finance all or a portion of the costs of school district capital facilities and school district capital equipment (as described in each School District's Agreement in respect of the Applicable Series of Series 2012 Bonds); and (ii) to pay the Costs of Issuance of the Applicable Series of Series 2012 Bonds. See "PART 5 – ESTIMATED SOURCES AND USES OF FUNDS."

Authorization of Issuance

The Act, as amended by Chapter 383 of the Laws of 2001 of the State of New York ("Chapter 383"), empowers the Authority, among other things, to issue its bonds for the purpose of financing or refinancing all or a part of "school district capital facilities" and "school district capital equipment" (collectively, "school projects") for certain school districts. The Act requires the Authority to enter into a lease, sublease or other agreement with a school district before the Authority can undertake a financing and/or refinancing for such school district. Each School District obtaining a loan to be funded from the proceeds of the Series 2012 Bonds (a "Loan") has entered into a Financing Agreement (each an "Agreement") with the Authority and, pursuant to the Agreement, will deliver its School District Bonds to the Authority.

Each Series of the Series 2012 Bonds will be issued pursuant to the Master Resolution, the applicable Series 2012 Resolutions and the Act. Each of the School Districts has entered into a separate Agreement with the Authority for the purpose of refinancing or financing as the case may be, its respective school projects from the proceeds of the applicable Series of Series 2012 Bonds. See "Appendix B – List of the School Districts and Principal Amount of Each School District's Loan."

The Master Resolution authorizes the issuance of multiple Series of Bonds. Each Series of Bonds is to be separately secured by (i) the funds and accounts established pursuant to a Series Resolution, (ii) certain payments to be made under the Agreement by each School District receiving a Loan to be funded from the proceeds of such Series, and (iii) the pledge and assignment by each such School District in its Agreement of the portion of certain public funds apportioned or otherwise made payable by the State to such School District (the "Pledged Revenues"). No School District will be responsible for the payment obligations of any other School District nor will the Pledged Revenues pledged and assigned by a School District be available to satisfy the obligations of any other School District. None of the funds and accounts established under any Series Resolution or the pledge of the Pledged Revenues to secure a Series of Bonds shall secure any other Series of Bonds. However, if more than one Series of Bonds has been or will be issued to finance or refinance projects for a particular School District, the Pledged Revenues assigned by such School District will be pledged to secure all such Series of Bonds on a parity basis. See "PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2012 BONDS – Issuance of Additional Bonds."

The Authority

The Authority is a public benefit corporation of the State, created for the purpose of financing and constructing a variety of public-purpose facilities for certain educational, governmental and not-for-profit institutions. See "PART 7 – THE AUTHORITY."

The School Districts

The School Districts are located in different areas of the State, are of varying geographic and demographic size and have varying economic, financial and indebtedness characteristics. See "PART 4 – THE SCHOOL DISTRICTS," "Appendix B – List of the School Districts and Principal Amount of Each School District's Loan" and "Appendix C – Certain Financial and Economic Information on the School Districts." The financial statements as of the fiscal year ended June 30, 2011 of all of the School Districts and additional information regarding certain of the School Districts have been filed by the School Districts with the Electronic Municipal Market Access ("EMMA") system maintained by the Municipal Securities Rulemaking Board ("MSRB"). Such financial statements are incorporated herein by reference and copies are on file at the principal office of the Authority.

The Series 2012 Bonds

The Series 2012 Bonds will be dated their date of delivery and will bear interest from such date of delivery at the rates and will mature on the dates set forth on the inside cover page of this Official Statement. Interest on the Series 2012 Bonds is payable each April 1 and October 1, commencing April 1, 2013. See "PART 3 – THE SERIES 2012 BONDS – Description of the Series 2012 Bonds."

Payment of the Series 2012 Bonds

Each Series of the Series 2012 Bonds is a special obligation of the Authority payable solely from the payments to be made by the applicable School Districts under each of its respective Agreements and the Pledged Revenues of each School District. Payments due under each Agreement ("Loan Repayments") are scheduled to be sufficient to pay the principal and redemption price of and interest on the Series of Series 2012 Bonds from the proceeds of which each School District will receive a Loan. Each Agreement also requires the School District to pay fees and expenses of the Authority and the Trustee. Pursuant to the Master Resolution, the Loan Repayments and the Authority's right to receive the same under all the Agreements in respect of a Series of the Series 2012 Bonds and the Pledged Revenues in respect of such Series 2012 Bonds have been pledged to the Trustee to secure solely such Series 2012 Bonds and no other Series of Bonds.

No School District will be responsible for the payment obligations of any other School District nor will the Pledged Revenues pledged and assigned by a School District be available to satisfy the obligation of any other School District. A failure to pay an amount when due by a single School District under its Agreement in respect of a Series of the Series 2012 Bonds may result in an intercept of the Pledged Revenues of such School District in an amount required to pay such deficiency. If such Pledged Revenues are insufficient to pay the full amount of the deficiency, the only source of payment for the Insured Bonds (defined herein) will be the payment made by the Insurer under the Policy. If a School District fails to pay amounts due under its Agreement, the Authority's sole recourse will be against the defaulting School District and no other School District. Further, upon the occurrence of an event of default, neither the Authority, the Trustee nor the holders of the Series 2012 Bonds of such Series will have the right to accelerate the obligation of the defaulting School District under its Agreement.

See "PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2012 BONDS – Payment of the Series 2012 Bonds" and "– Bond Insurance."

Security for the Series 2012 Bonds

Each Series of the Series 2012 Bonds will be secured by the pledge and assignment to the Trustee of payments due under the Agreement with the School District in respect of such Series 2012 Bonds, including Loan Repayments and all funds and accounts authorized by the Master Resolution and established by the applicable Series Resolution (with the exception of the Arbitrage Rebate Fund). Each School District will deliver its School District Bonds to the Authority to evidence its obligation to repay its Loan, will pledge its full faith and credit to the payment of the principal of and interest on its School District Bonds and has the power and is required under State statutes to levy and collect ad valorem taxes on all taxable property within the School District for such payment. The Authority, as the holder of such School District Bonds, will have the rights and remedies provided for by the State Constitution and applicable statutes to holders of school district general obligation bonds. The School District Bonds will be held by the Authority and will not be assigned to the Trustee.

To secure payment of all amounts due under its Agreement in respect of a Series of the Series 2012 Bonds, each School District has assigned and pledged to the Authority its Pledged Revenues. Each School District under its Agreement has directed and acknowledged that its Pledged Revenues are to be paid directly to the Trustee as provided in the Act and the Memorandum of Understanding among the Authority, the Comptroller of the State and the Commissioner of Education of the State (the "MOU") upon the occurrence of an event of default resulting from the failure to pay the amounts due under its Agreement. The Act authorizes an intercept mechanism under which the State Comptroller shall pay the public funds assigned by a School District to the Authority directly to the Trustee pursuant to an assignment from the Authority.

The primary component of Pledged Revenues assigned and pledged by the School Districts to the Authority consists of State aid payable to the School Districts. The determination of the amount of State aid and the apportionment of such State aid are legislative acts and the State Legislature may amend or repeal the statutes relating to State aid and the formulas which determine the amount of State aid payable to the School Districts. Such amendments could result in the increase, decrease or elimination of the amount of the Pledged Revenues available for the payment of debt service on the Series 2012 Bonds. The financial condition of the State may affect the amount of State aid appropriated by the State Legislature and apportioned to School Districts in the State.

See "PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2012 BONDS – Security for the Series 2012 Bonds" and "PART 4 – THE SCHOOL DISTRICTS – Special Provisions Affecting Remedies on Default" and "Financial Factors – *State Aid*."

Bond Insurance

The scheduled payment of principal of and interest on certain maturities of Series 2012 Bonds as set forth on the inside cover page of this Official Statement (collectively, the "Insured Bonds") when due will be guaranteed under a municipal bond insurance policy (the "Policy") to be issued concurrently with the delivery of the Insured Bonds by Assured Guaranty Municipal Corp. ("AGM" or the "Insurer"). See "PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2012 BONDS – Bond Insurance."

PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2012 BONDS

Set forth below is a narrative description of certain contractual and statutory provisions relating to the sources of payment and security for the Bonds, including each Series of the Series 2012 Bonds, issued under the Master Resolution. These provisions have been summarized and this description does not purport to be complete. Reference should be made to the Act, the Master Resolution, the Series 2012 Resolutions, the Agreements and the School District Bonds for a more complete description of such provisions. Copies of the Act, the Master Resolution, the Series 2012 Resolutions, each Agreement and the School District Bonds are on file with the Authority and/or the Trustee. See also "Appendix D – Summary of Certain Provisions of the Financing Agreements" and "Appendix E – Summary of Certain Provisions of the Master Resolution" for a more complete statement of the rights, duties and obligations of the parties thereto.

Payment of the Series 2012 Bonds

Each Series of the Series 2012 Bonds will be special obligations of the Authority. The principal and Redemption Price of and interest on each Series of the Series 2012 Bonds are payable solely from the Revenues pledged to such Series 2012 Bonds. The Revenues consist of the payments paid by the applicable School District under its Agreement in respect of such Series 2012 Bonds, including Loan Repayments and the Pledged Revenues. The Revenues and the right to receive them in respect of each Series of the Series 2012 Bonds have been pledged to the Trustee for the payment of such Series 2012 Bonds.

Loan Repayments in respect of each Series of the Series 2012 Bonds are to be paid by each School District on the dates and in the amounts specified in each Agreement and the School District Bonds, which loan payment dates are at least 45 days prior to the dates on which principal and interest are next due on such Series 2012 Bonds and which amounts in the aggregate are scheduled to be sufficient to pay principal and interest on such Series 2012 Bonds.

No School District will be responsible for the payment obligations of any other School District nor will the Pledged Revenues pledged and assigned by a School District be available to satisfy the obligation of any other School District. A failure to pay an amount when due by a single School District under its Agreement in respect of a Series of the Series 2012 Bonds may result in an intercept of the Pledged Revenues of such School District in an amount required to pay such deficiency. If such Pledged Revenues are insufficient to pay the full amount of the deficiency, then, to the extent such deficiency corresponds to the Insured Bonds, the only source of payment for such Insured Bonds will be the payment made by the Insurer under the Policy. If a School District fails to pay amounts due under its Agreement, the Authority's sole recourse will be against the defaulting School District and no other School District. Further, upon the occurrence of an event of default, none of the Authority, the Trustee or the holders of the Series 2012 Bonds will have the right to accelerate the obligation of the defaulting School District under its Agreement.

The Resolutions and the MOU also provide that, to the extent that (i) the Authority issues more than one Series of Bonds to finance Loans to a particular School District, (ii) the Authority does not receive sufficient payments from the School District to meet the School District's payment obligations with respect to all such Series of Bonds, and (iii) the State aid payable to the School District is insufficient to fully make up such deficiency, then the Comptroller will pay a proportionate amount of the available State aid to the trustee for each such Series of Bonds until such deficiency is made up.

Security for the Series 2012 Bonds

Each Series of the Series 2012 Bonds will be secured by the pledge and assignment to the Trustee of all payments payable by all School Districts under their Agreements in respect of such Series 2012 Bonds, all funds and accounts authorized by the Master Resolution and established by the applicable Series Resolution (with the exception of the Arbitrage Rebate Fund), and the Authority's security interest in the Pledged Revenues in respect of such Series 2012 Bonds; provided however, that certain earnings on amounts held in the Debt Service Fund will be released to the applicable School District and prior to such release will secure only the proportionate amount of the Series 2012 Bonds relating to the Loan of such School District. There is no debt service reserve fund securing the Series 2012 Bonds. Pursuant to the terms of the Master Resolution, the funds and accounts established by a Series Resolution secure only the Bonds of such Series and do not secure any other Series of Bonds issued under the Master Resolution. See in this PART 2 — "Issuance of Additional Bonds."

Payments Under the Agreement and School District Bonds. Each School District will, pursuant to its Agreement, deliver its School District Bonds to the Authority to evidence its obligation to repay the Loan made by the Authority to such School District. The Series 2012 Bonds are not secured by any interest in any real property (including the school district capital facilities and school district capital equipment financed or refinanced by a Series of Bonds) of any School District. The School District Bonds are general obligations of the applicable School District. Each School District will pledge its full faith and credit to the payment of the principal of and interest on the School District Bonds and has the power and is required under State statutes to levy and collect ad valorem taxes on all taxable property within the School District for such payment. Each School District's obligation to pay the amounts due under its respective Agreement is absolute and unconditional without any right of set-off, recoupment or counterclaim against the Authority. The School District Bonds will be held by the Authority and will not be assigned to the Trustee.

The Authority has covenanted for the benefit of the Holders of each Series of the Series 2012 Bonds that it will not create or cause to be created any lien or charge upon the Revenues or its interest in the Pledged Revenues specifically pledged to secure such Series 2012 Bonds, the proceeds of such Series 2012 Bonds or the funds or accounts established under the applicable Series Resolution which is prior or equal to the pledge made by the Master Resolution for such Series 2012 Bonds, except for the Pledged Revenues pledged and assigned by any School District for which the Authority may in the future issue more than one Series of Bonds to finance Loans to such School District, which will secure all such Series of Bonds on a parity basis. The Authority has previously issued Series of Bonds in 2002 and loaned a portion of the proceeds to Burnt Hills-Ballston Lake Central School District, Catskill Central School District, Queensbury Union Free School District, Rotterdam-Mohonasen Central School District and the Enlarged City School District of the City of Watertown; Series of Bonds in 2008 and loaned a portion of the proceeds to Onondaga Central School District and the Enlarged City School District of the City of Watertown; and Series of Bonds in 2011 and loaned a portion of the proceeds to the City School District of the City of Binghamton, Catskill Central School District and the City School District of the City of Oswego.

Pledged Revenues. As additional security for the payment of the amounts due under its Agreement to the Authority, each School District under its Agreement in respect of a Series of the Series 2012 Bonds has assigned and pledged to the Authority a sufficient portion of any and all Pledged Revenues. Each School District under its Agreement has directed and acknowledged that the Pledged Revenues are to be paid directly to the Trustee as provided in the Act and the MOU upon the occurrence of certain events of default under its Agreement. Each School District has further agreed under its Agreement that all State and local officials concerned are authorized to apportion and pay to or upon the order of the Authority all such Pledged Revenues upon the occurrence of certain events of default. The pledge and assignment will be irrevocable (in accordance with the Act) and will continue until the date on which the liabilities of the School District incurred, as a result of the issuance of the Series 2012 Bonds, have been paid or otherwise discharged. The Pledged Revenues pledged and assigned by one School District will not be available to satisfy the obligation of any other School District.

The Act authorizes an intercept mechanism under which the State Comptroller shall pay the State aid assigned by the School District to the Authority directly to the Authority upon the occurrence of certain events of default. Pursuant to this intercept mechanism, the Authority is required to certify annually to the Commissioner of Education a statement of all amounts due from each of the School Districts to the Authority. The Commissioner of Education, in turn, is required to include in the certificate filed with the State Comptroller, a statement showing the amount owed to the Authority by each of the School Districts. Pursuant to the MOU, the Authority has agreed to notify the Commissioner of Education within five business days after payment is due of any failure by any School District to pay (a "Delinquency Notice") and the Commissioner of Education has agreed to promptly forward such Delinquency Notice to the State Comptroller. Upon receipt of such Delinquency Notice, the State Comptroller agrees to pay to the Trustee the amount set forth in the Delinquency Notice from any funds of the State that become due and payable to the defaulting School District. Until the amount set forth in the Delinquency Notice has been fully paid to the Trustee, the State Comptroller shall not pay any State funds to the defaulting School District.

Section 99-b of the State Finance Law and various State financing programs also provide a mechanism for the intercept of certain State aid or assistance for the payment of the principal of and interest on bonds and notes of a school district in default on such payment. Such intercept could also affect the extent to which State aid would be available to cure a default by a School District under its Agreement or School District Bonds, pursuant to the State aid intercept authorized under the Act. See "PART 4 – THE SCHOOL DISTRICTS – Special Provisions Affecting Remedies on Default."

While the State has a constitutional duty to maintain and support a system of free common schools that provides a "sound basic education" to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the School Districts can be paid only if the State has such monies available for such payment. The availability of such monies and the timeliness of such payment could be affected by a delay in the adoption of the State budget in this year and in future years and the financial condition of the State. See "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

There can be no assurance that the amount of the Pledged Revenues pledged and assigned by any School District will be sufficient to pay the amount of any deficiency in Loan Repayments payable by such School District.

Issuance of Additional Bonds

In addition to the Series 2012 Bonds, the Master Resolution authorizes the issuance of other Series of Bonds for other school districts and for specified purposes, including to refund Outstanding Bonds issued under the Master Resolution. Each Series of Bonds issued under the Master Resolution will be separately secured by the pledge and assignment of the Applicable Revenues, the Authority's interest in the Applicable Pledged Revenues, the proceeds from the sale of such Series of Bonds and all funds and accounts (with the exception of the Arbitrage Rebate Fund) authorized by the Applicable Series Resolution.

The Resolutions and the MOU also provide that, to the extent that (i) the Authority issues more than one Series of Bonds to finance Loans to a particular School District, (ii) the Authority does not receive sufficient payments from the School District to meet such School District's payment obligations with respect to all such Series of Bonds, and (iii) the State aid payable to such School District is insufficient to fully make up such deficiency, then the Comptroller will pay a proportionate amount of the available State aid to the trustee for each such Series of Bonds until such deficiency is made up.

In addition to issuance of School District Bonds by each of the School Districts as security for its respective obligations under the Agreements, each of the School Districts has the power in accordance with the New York State Local Finance Law to issue bonds in addition to the School District Bonds for School District purposes. See "PART 4 – THE SCHOOL DISTRICTS – Summaries of the Constitutional and Statutory Debt Provisions."

General

The Series 2012 Bonds will not be a debt of the State of New York nor will the State be liable thereon. The Authority has no taxing power. The Authority has never defaulted in the timely payment of principal or sinking fund installments of or interest on its bonds or notes. See "PART 7 – THE AUTHORITY."

Defaults and Remedies under the Agreement

Among the events which would constitute an "event of default" under an Agreement are the failure by the School District to pay the amounts due under the Agreement as evidenced by its School District Bonds or any other amounts due under the Agreement or to observe or perform any of the covenants, conditions or agreements contained in the Agreement which continues for the applicable grace period after notice of such failure has been given to such School District. In the event any such event of default happens as a result of a failure to pay the amounts due under the Agreement, the Authority may direct payment to the Trustee pursuant to the State aid intercept mechanism authorized by the Act and implemented by the MOU of certain State aid payable by the State to such School District. See in this PART 2 – "Security for the Series 2012 Bonds." In the event any other event of default happens and continues, the Authority may exercise a number of remedies, including such remedies as are available to the holder of the School District Bonds, and any other remedies available at law or in equity. *In no event may any "event of default" under an Agreement cause an acceleration of the amounts due under such Agreement*.

Default and Remedies under the Master Resolution

"Events of Default" under the Master Resolution in respect of a Series of Bonds include: (i) the failure to pay principal, Sinking Fund Installments or Redemption Price of, and interest on the Bonds of such Series when due; (ii) the failure to comply with the provisions of the Code applicable to such Series necessary to maintain the exclusion of interest thereon from gross income under Section 103 of the Code, with the result that interest on the Bonds of such Series is no longer excludable from the gross income of the Holders thereof; and (iii) a default by the Authority in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Master Resolution or the Applicable Series Resolution or in the Bonds of such Series on the part of the Authority to be performed and such default continues for 30 days after written notice specifying such default and requiring same to be remedied is given to the Authority by the Trustee, which may give such notice in its discretion and must give such notice at the written request of the Holders of not less than 25% in principal amount of the Outstanding Bonds of such Series, unless, if such default is not capable of being cured within 30 days, the Authority has commenced to cure such default within said 30 days and diligently prosecutes the cure thereof.

The Master Resolution provides that if an "event of default" occurs and continues, the Trustee may proceed, and upon the written request of an Applicable Facility Provider of a Series or of the Holders of not less than 25% in principal amount of the Outstanding Bonds of such Series will proceed (in either case, with the consent of an Applicable Facility Provider of such Series) or, in the case of a happening and continuance of an "event of default" specified in clause (ii) above, upon the written request of an Applicable Facility Provider of a Series or of the Holders of not less than 25% in principal amount of the Outstanding Bonds of such Series with the consent of the Applicable Facility Provider of such Series, will proceed (subject to the provisions of the Master Resolution), to protect and enforce its rights and the rights of the Bondholders or of such Applicable Facility Provider under the Master Resolution or Applicable Series Resolution or under the laws of the State by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant contained under the Master Resolution or Applicable Series Resolution or in aid or execution of any power therein granted, or for an accounting against the Authority as if the Authority were the trustee of an express trust, or for the enforcement of any proper legal or equitable remedy as the Trustee deems most effectual to protect and enforce such rights. *In no event may an "event of default" cause an acceleration of any Series of Bonds under the Master Resolution*.

In the enforcement of any remedy under the Master Resolution and Applicable Series Resolution, the Trustee may sue for, enforce payment of, and receive any and all amounts then, or during any default becoming, and at any time remaining, due from the Authority for principal or interest or otherwise under any of the provisions of the Master Resolution and Applicable Series Resolution or of the Bonds of the Applicable Series, with interest on overdue payments of the principal of or interest on the Bonds of such Series at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings under the Master Resolution and Applicable Series Resolution and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Holders of such Bonds, and to recover and enforce a judgment or decree against the Authority but solely as provided in the Master Resolution and Applicable Series Resolution and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect in any manner provided by law, the moneys adjudged or decreed to be payable.

With respect to the Insured Bonds, so long as the Insurer is not in default under the Policy, the Trustee must exercise remedies at the direction of the Insurer and may not exercise remedies at the direction of the Holders without the consent of the Insurer.

Bond Insurance

The following information is not complete and reference is made to Appendix G for a specimen of the Policy of AGM.

Bond Insurance Policy

Concurrently with the issuance of the Insured Bonds, Assured Guaranty Municipal Corp. ("AGM") will issue its Municipal Bond Insurance Policy for the Insured Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Insured Bonds when due as set forth in the form of the Policy included as an exhibit to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Assured Guaranty Municipal Corp.

AGM is a New York domiciled financial guaranty insurance company and a wholly owned subsidiary of Assured Guaranty Municipal Holdings Inc. ("Holdings"). Holdings is an indirect subsidiary of Assured Guaranty Ltd. (“AGL”), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol “AGO”. AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and global public finance, infrastructure and structured finance markets. No shareholder of AGL, Holdings or AGM is liable for the obligations of AGM.

AGM’s financial strength is rated “AA-” (stable outlook) by Standard and Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business (“S&P”) and “Aa3” (on review for possible downgrade) by Moody’s Investors Service, Inc. (“Moody’s”). An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM’s long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On March 20, 2012, Moody’s issued a press release stating that it had placed AGM’s “Aa3” insurance financial strength rating on review for possible downgrade. AGM can give no assurance as to any further ratings action that Moody’s may take. Reference is made to the press release, a copy of which is available at www.moodys.com, for the complete text of Moody’s comments.

On November 30, 2011, S&P published a Research Update in which it downgraded AGM’s financial strength rating from “AA+” to “AA-“. At the same time, S&P removed the financial strength rating from CreditWatch negative and changed the outlook to stable. AGM can give no assurance as to any further ratings action that S&P may take. Reference is made to the Research Update, a copy of which is available at www.standardandpoors.com, for the complete text of S&P’s comments.

For more information regarding AGM’s financial strength ratings and the risks relating thereto, see AGL’s Annual Report on Form 10-K for the fiscal year ended December 31, 2011 and its Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2012.

Capitalization of AGM

At March 31, 2012, AGM's consolidated policyholders' surplus and contingency reserves were approximately $3,123,869,658 and its total net unearned premium reserve was approximately $2,275,867,231, in each case, in accordance with statutory accounting principles.

AGM's statutory financial statements for the fiscal year ended December 31, 2011, and for the quarterly period ended March 31, 2012, which have been filed with the New York State Department of Financial Services and posted on AGL's website at http://www.assuredguaranty.com, are incorporated by reference into this Official Statement and shall be deemed to be a part hereof.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

(i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2011 (filed by AGL with the SEC on February 29, 2012); and

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2012 (filed by AGL with the SEC on May 10, 2012).

All information relating to AGM included in, or as exhibits to, documents filed by AGL pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, after the filing of the last document referred to above and before the termination of the offering of the Insured Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Municipal Corp.: 31 West 52nd Street, New York, New York 10019, Attention: Communications Department (telephone (212) 826-0100).

Any information regarding AGM included herein under the caption "PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2012 BONDS - Bond Insurance – Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "AGM Information") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AGM or one of its affiliates may purchase a portion of the Insured Bonds or any uninsured bonds offered under this Official Statement and may hold such Insured Bonds or uninsured bonds for investment or may sell or otherwise dispose of such Insured Bonds or uninsured bonds at any time or from time to time.

AGM makes no representation regarding the Insured Bonds or the advisability of investing in the Insured Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2012 BONDS - Bond Insurance".

Bond Insurance Risk Factors

In the event of default in the payment of principal of or interest on the Insured Bonds when all or some becomes due, or in the event any such payment is recovered from the owners of the Insured Bonds as a voidable preference under applicable bankruptcy law, the Trustee on behalf of the owners of the Insured Bonds shall have a claim under the Policy for such payments. However, in the event of any advancement of the due date of such principal by reason of mandatory or optional redemption (other than mandatory sinking fund redemption), the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such advancement. See "Appendix G – Specimen Municipal Bond Insurance Policy."

In the event the Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Insured Bonds are payable solely from the moneys available under the applicable Series Resolution. In the event the Insurer becomes obligated to make payments with respect to the Insured Bonds, no assurance is given that such event will not adversely affect the market price of the Insured Bonds or the marketability of the Insured Bonds.

The long-term ratings on the Insured Bonds are dependent in part on the financial strength of the Insurer and its claims-paying ability. The Insurer's financial strength and claims-paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and the ratings on the Insured Bonds will not be subject to downgrade and such event could adversely affect the market price of the Insured Bonds or the marketability of the Insured Bonds. See "PART 16 – RATINGS" herein.

The obligations of the Insurer are contractual obligations and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the Authority nor the Underwriters have made independent investigation into the claims-paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is given. See "– Bond Insurance" herein for further information about the Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Insurer.

PART 3 – THE SERIES 2012 BONDS

Description of the Series 2012 Bonds

The Series 2012 Bonds will be dated their date of delivery and will bear interest at the rates and mature at the times set forth on the inside cover page of this Official Statement. Interest on the Series 2012 Bonds is payable each April 1 and October 1, commencing April 1, 2013.

The Series 2012 Bonds will be issued as fully registered bonds. The Series 2012 Bonds will be issued in denominations of $5,000 or any integral multiple thereof. The Series 2012 Bonds will be registered in the name of Cede & Co., as nominee of DTC, pursuant to DTC's Book-Entry Only System. Purchases of beneficial interests in the Series 2012 Bonds will be made in book-entry form, without certificates. If at any time the Book-Entry Only System is discontinued for the Series 2012 Bonds, the Series 2012 Bonds will be exchangeable for other fully registered Series 2012 Bonds in any other authorized denominations of the same maturity without charge except the payment of any tax, fee or other governmental charge to be paid with respect to such exchange, subject to the conditions and restrictions set forth in the Master Resolution. See in this PART 3 "–Book-Entry Only System" and "Appendix E — Summary of Certain Provisions of the Master Resolution."

Interest on the Series 2012 Bonds will be payable by check or draft mailed to the registered owners thereof at the address thereof as it appears on the registration books held by the Trustee, or, at the option of a Holder of at least $1,000,000 in principal amount of the Series 2012 Bonds by wire transfer to the Holder of the Series 2012 Bonds, each as of the close of business on the fifteenth day of the month next preceding an interest payment date. The principal or redemption price of the Series 2012 Bonds will be payable in lawful money of the United States of America at the principal corporate trust office of U.S. Bank National Association, New York, New York, the Trustee and Paying Agent. As long as the Series 2012 Bonds are registered in the name of Cede & Co., as nominee of DTC, such payments will be made directly to DTC. See "– Book-Entry Only System" herein.

For a more complete description of the Series 2012 Bonds, see "Appendix E – Summary of Certain Provisions of the Master Resolution."

Redemption Provisions

The Series 2012 Bonds are subject to optional and mandatory redemption as described below.

Optional Redemption

The Series 2012A Bonds maturing on or before October 1, 2022 are not subject to optional redemption prior to maturity. The Series 2012A Bonds maturing after October 1, 2022 are subject to redemption prior to maturity on or after October 1, 2022 in any order of maturity, at the option of the Authority, as a whole or in part at any time, at a Redemption Price of 100% of the principal amount of the Series 2012A Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

The Series 2012B Bonds maturing on or before October 1, 2022 are not subject to optional redemption prior to maturity. The Series 2012B Bonds maturing after October 1, 2022 are subject to redemption prior to maturity on or after October 1, 2022 in any order of maturity, at the option of the Authority, as a whole or in part at any time, at a Redemption Price of 100% of the principal amount of the Series 2012B Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

The Series 2012C Bonds maturing on or before October 1, 2022 are not subject to optional redemption prior to maturity. The Series 2012C Bonds maturing after October 1, 2022 are subject to redemption prior to maturity on or after October 1, 2022 in any order of maturity, at the option of the Authority, as a whole or in part at any time, at a Redemption Price of 100% of the principal amount of the Series 2012C Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

The Series 2012D Bonds maturing on or before October 1, 2022 are not subject to optional redemption prior to maturity. The Series 2012D Bonds maturing after October 1, 2022 are subject to redemption prior to maturity on or after October 1, 2022 in any order of maturity, at the option of the Authority, as a whole or in part at any time, at a Redemption Price of 100% of the principal amount of the Series 2012D Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

The Series 2012E Bonds maturing on or before October 1, 2022 are not subject to optional redemption prior to maturity. The Series 2012E Bonds maturing after October 1, 2022 are subject to redemption prior to maturity on or after October 1, 2022 in any order of maturity, at the option of the Authority, as a whole or in part at any time, at a Redemption Price of 100% of the principal amount of the Series 2012E Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

Mandatory Redemption

The Series 2012A Bonds maturing on October 1, 2032 and October 1, 2038 are subject to mandatory sinking fund redemption, in part, on each of the dates and in the respective principal amounts set forth below, at a Redemption Price of 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem the principal amounts of Series 2012A Bonds specified for each of the dates shown below:

Series 2012A Term Bonds
Maturing October 1, 2032

Year	Sinking Fund Installment
2028	$305,000
2029	250,000
2030	260,000
2031	270,000
3032	280,000*

Series 2012A Term Bonds
Maturing October 1, 2038

Year	Sinking Fund Installment
2033	$290,000
2034	300,000
2035	310,000
2036	325,000
2037	340,000
2038	350,000*

*Stated Maturity

The Series 2012B Bonds maturing on October 1, 2020, October 1, 2021, October 1, 2024, October 1, 2026 and October 1, 2031 are subject to mandatory sinking fund redemption, in part, on each of the dates and in the respective principal amounts set forth below, at a Redemption Price of 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem the principal amounts of Series 2012B Bonds specified for each of the dates shown below:

Series 2012B Term Bonds Maturing October 1, 2020

Year	Sinking Fund Installment
Apr. 1, 2020	$745,000
Oct. 1, 2020	780,000*

Series 2012B Term Bonds Maturing October 1, 2021

Year	Sinking Fund Installment
Apr. 1, 2021	$775,000
Oct. 1, 2021	815,000*

Series 2012B Term Bonds Maturing October 1, 2024

Year	Sinking Fund Installment
Apr. 1, 2023	$855,000
Oct. 1, 2023	890,000
Apr. 1, 2024	895,000
Oct. 1, 2024	935,000*

Series 2012B Term Bonds Maturing October 1, 2026

Year	Sinking Fund Installment
Apr. 1, 2025	$945,000
Oct. 1, 2025	985,000
Apr. 1, 2026	990,000
Oct. 1, 2026	1,030,000*

Series 2012B Term Bonds Maturing October 1, 2031

Year	Sinking Fund Installment
Oct. 1, 2027	$145,000
Oct. 1, 2028	150,000
Oct. 1, 2029	155,000
Oct. 1, 2030	160,000
Oct. 1, 2031	165,000*

*Stated Maturity

The Series 2012C Bonds maturing on October 1, 2020, October 1, 2021, October 1, 2024, October 1, 2026 and April 1, 2031 are subject to mandatory sinking fund redemption, in part, on each of the dates and in the respective principal amounts set forth below, at a Redemption Price of 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem the principal amounts of Series 2012C Bonds specified for each of the dates shown below:

Series 2012C Term Bonds Maturing October 1, 2020

Year	Sinking Fund Installment
Apr. 1, 2020	$1,205,000
Oct. 1, 2020	740,000*

Series 2012C Term Bonds Maturing October 1, 2021

Year	Sinking Fund Installment
Apr. 1, 2021	$1,245,000
Oct. 1, 2021	775,000*

Series 2012C Term Bonds Maturing October 1, 2024

Year	Sinking Fund Installment
Oct. 1, 2023	$ 840,000
Apr. 1, 2024	1,435,000
Oct. 1, 2024	890,000*

Series 2012C Term Bonds Maturing October 1, 2026

Year	Sinking Fund Installment
Apr. 1, 2025	$1,075,000
Oct. 1, 2025	930,000
Apr. 1, 2026	380,000
Oct. 1, 2026	975,000*

Series 2012C Term Bonds Maturing April 1, 2031

Year	Sinking Fund Installment
Apr. 1, 2028	$265,000
Apr. 1, 2029	270,000
Apr. 1, 2030	280,000
Apr. 1, 2031	140,000*

*Stated Maturity

The Series 2012D Bonds maturing on October 1, 2032, October 1, 2037 and October 1, 2041 are subject to mandatory sinking fund redemption, in part, on each of the dates and in the respective principal amounts set forth below, at a Redemption Price of 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem the principal amounts of Series 2012D Bonds specified for each of the dates shown below:

Series 2012D Term Bonds Maturing October 1, 2032

Year	Sinking Fund Installment
2027	$155,000
2028	160,000
2029	165,000
2030	170,000
2031	180,000
2032	185,000*

Series 2012D Term Bonds Maturing October 1, 2037

Year	Sinking Fund Installment
2033	$190,000
2034	200,000
2035	205,000
2036	215,000
2037	225,000*

Series 2012D Term Bonds Maturing October 1, 2041

Year	Sinking Fund Installment
2038	$235,000
2039	240,000
2040	250,000
2041	260,000*

*Stated Maturity

The Series 2012E Bonds maturing on October 1, 2032 and October 1, 2039 are subject to mandatory sinking fund redemption, in part, on each of the dates and in the respective principal amounts set forth below, at a Redemption Price of 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem the principal amounts of Series 2012E Bonds specified for each of the dates shown below:

Series 2012E Term Bonds Maturing October 1, 2032

Year	Sinking Fund Installment
2028	$350,000
2029	365,000
2030	375,000
2031	390,000
2032	405,000*

Series 2012E Term Bonds Maturing October 1, 2039

Year	Sinking Fund Installment
2033	$415,000
2034	435,000
2035	450,000
2036	470,000
2037	485,000
2038	505,000
2039	525,000*

*Stated Maturity

Notice of Redemption

Whenever Series 2012 Bonds are to be redeemed, the Trustee will give notice of the redemption of the Series 2012 Bonds in the name of the Authority. Such notice will be given by mailing a copy of such notice not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. Such notice will be sent by first class mail, postage prepaid, to the registered owners of the Series 2012 Bonds which are to be redeemed, at their last known addresses, if any, appearing on the registration books not more than ten (10) Business Days prior to the date such notice is given. Upon giving such notice, the Trustee will promptly certify to the Authority that it has mailed or caused to be mailed such notice to the registered owners of the Series 2012 Bonds to be redeemed in the manner provided in the Master Resolution. Such certificate will be conclusive evidence that such notice was given in the manner required by the Master Resolution. The failure of any Holder of a Series 2012 Bond to be redeemed to receive such notice will not affect the validity of the proceedings for the redemption of the Series 2012 Bonds.

Any notice of redemption, unless moneys are received by the Trustee prior to giving such notice sufficient to pay the principal of and premium, if any, and interest on the Series 2012 Bonds to be redeemed, may state that such redemption is conditional upon the receipt of such moneys by the Trustee by 1:00 P.M. (New York time) on the date fixed for redemption. If such moneys are not so received said notice will be of no force and effect, the Authority will not redeem such Series 2012 Bonds and the Trustee will give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2012 Bonds. The Series 2012 Bonds will be issued as fully-registered securities 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 Series 2012 Bond certificate will be issued for each maturity of each Series of the Series 2012 Bonds, each in the aggregate principal amount of such maturity of such Series, and will be deposited with DTC.

DTC, the world's largest securities 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, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, and trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AA+. 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 Series 2012 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2012 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2012 Bond ("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 Series 2012 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2012 Bonds, except in the event that use of the book-entry system for the Series 2012 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2012 Bonds 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 Series 2012 Bonds 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 Series 2012 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2012 Bonds 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 Series 2012 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2012 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2012 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, redemption premium, if any, and interest payments on the Series 2012 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with 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, the Trustee, the Bank or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, 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.

The Authority and the Trustee may treat DTC (or its nominee) as the sole and exclusive registered owner of the Series 2012 Bonds registered in its name for the purposes of payment of the principal and redemption premium, if any, of, or interest on, the Series 2012 Bonds, giving any notice permitted or required to be given to registered owners under the Resolution, registering the transfer of the Series 2012 Bonds, or other action to be taken by registered owners and for all other purposes whatsoever. The Authority and the Trustee shall not have any responsibility or obligation to any Direct or Indirect Participant, any person claiming a beneficial ownership interest in the Series 2012 Bonds under or through DTC or any Direct or Indirect Participant, or any other person which is not shown on the registration books of the Authority (kept by the Trustee) as being a registered owner, with respect to the accuracy of any records maintained by DTC or any Direct or Indirect Participant; the payment by DTC or any Direct or Indirect Participant of any amount in respect of the principal, redemption premium, if any, or interest on the Series 2012 Bonds; any notice which is permitted or required to be given to registered owners thereunder or under the conditions to transfers or exchanges adopted by the Authority; or other action taken by DTC as registered owner. Interest, redemption premium, if any, and principal will be paid by the Trustee to DTC, or its nominee. Disbursement of such payments to the Direct or Indirect Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the Direct or Indirect Participants.

DTC may discontinue providing its service as depository with respect to the Series 2012 Bonds at any time by giving reasonable notice to the Authority and the Trustee. Under such circumstances, in the event that a successor depository is not obtained, the Series 2012 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, the Series 2012 Bond certificates will be printed and delivered to DTC.

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

Each person for whom a Participant acquires an interest in the Series 2012 Bonds, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all notices of redemption or other communications of DTC, which may affect such persons, to be forwarded in writing by such Participant and to have notification made of all interest payments. NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2012 BONDS.

So long as Cede & Co. is the registered owner of the Series 2012 Bonds, as nominee for DTC, references herein to the Bondholders or registered owners of the Series 2012 Bonds (other than under the caption "PART 10 — TAX MATTERS" herein) shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Series 2012 Bonds.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference only relates to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they will be sent by the Trustee to DTC only.

For every transfer and exchange of Series 2012 Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

NONE OF THE AUTHORITY, THE TRUSTEE OR THE UNDERWRITERS WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT, (II) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE SERIES 2012 BONDS UNDER THE RESOLUTIONS; (III) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2012 BONDS; (IV) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE SERIES 2012 BONDS; (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE SERIES 2012 BONDS; OR (VI) ANY OTHER MATTER.

Principal and Interest Requirements

The following table sets forth the principal, the interest and the total debt service to be paid on the Series 2012A Bonds during each twelve-month period ending October 1 of the years shown.

12-Month Period Ending October 1,	Principal of the Series 2012A Bonds	Interest on the Series 2012A Bonds	Total Debt Service on the Series 2012A Bonds
2013	$4,310,000	$7,210,028	$11,520,028
2014	6,965,000	5,421,063	12,386,063
2015	7,250,000	5,151,613	12,401,613
2016	7,565,000	4,809,363	12,374,363
2017	7,930,000	4,452,263	12,382,263
2018	8,300,000	4,077,613	12,377,613
2019	8,690,000	3,685,463	12,375,463
2020	9,105,000	3,274,713	12,379,713
2021	9,545,000	2,844,163	12,389,163
2022	10,005,000	2,377,663	12,382,663
2023	10,510,000	1,873,538	12,383,538
2024	11,030,000	1,344,163	12,374,163
2025	9,040,000	851,988	9,891,988
2026	7,260,000	428,213	7,688,213
2027	3,335,000	225,694	3,560,694
2028	305,000	124,375	429,375
2029	250,000	113,700	363,700
2030	260,000	104,950	364,950
2031	270,000	95,850	365,850
2032	280,000	86,400	366,400
2033	290,000	76,600	366,600
2034	300,000	65,000	365,000
2035	310,000	53,000	363,000
2036	325,000	40,600	365,600
2037	340,000	27,600	367,600
2038	350,000	14,000	364,000

The following table sets forth the principal, the interest and the total debt service to be paid on the Series 2012B Bonds during each twelve-month period ending October 1 of the years shown.

12-Month Period Ending October 1,	Principal of the Series 2012B Bonds	Interest on the Series 2012B Bonds	Total Debt Service on the Series 2012B Bonds
2013	$940,000	$1,186,443	$2,126,443
2014	1,230,000	890,313	2,120,313
2015	1,265,000	853,113	2,118,113
2016	1,315,000	808,463	2,123,463
2017	1,360,000	762,013	2,122,013
2018	1,415,000	710,438	2,125,438
2019	1,465,000	653,338	2,118,338
2020	1,525,000	594,138	2,119,138
2021	1,590,000	532,538	2,122,538
2022	1,660,000	464,188	2,124,188
2023	1,745,000	380,063	2,125,063
2024	1,830,000	291,813	2,121,813
2025	1,930,000	199,063	2,129,063
2026	2,020,000	101,438	2,121,438
2027	145,000	25,188	170,188
2028	150,000	20,475	170,475
2029	155,000	15,600	170,600
2030	160,000	10,563	170,563
2031	165,000	5,363	170,363

The following table sets forth the principal, the interest and the total debt service to be paid on the Series 2012C Bonds during each twelve-month period ending October 1 of the years shown.

12-Month Period Ending October 1,	Principal of the Series 2012C Bonds	Interest on the Series 2012C Bonds	Total Debt Service on the Series 2012C Bonds
2013	$1,310,000	$1,437,443	$2,747,443
2014	1,575,000	1,073,969	2,648,969
2015	1,625,000	1,021,319	2,646,319
2016	1,685,000	961,669	2,646,669
2017	1,735,000	905,469	2,640,469
2018	1,795,000	847,269	2,642,269
2019	1,870,000	774,569	2,644,569
2020	1,945,000	698,769	2,643,769
2021	2,020,000	620,169	2,640,169
2022	2,100,000	531,769	2,631,769
2023	2,215,000	424,894	2,639,894
2024	2,325,000	312,644	2,637,644
2025	2,005,000	205,394	2,210,394
2026	1,355,000	122,519	1,477,519
2027	1,015,000	60,125	1,075,125
2028	265,000	27,759	292,759
2029	270,000	18,731	288,731
2030	280,000	9,450	289,450
2031	140,000	2,363	142,363

The following table sets forth the principal, the interest and the total debt service to be paid on the Series 2012D Bonds during each twelve-month period ending October 1 of the years shown.

12-Month Period Ending October 1,	**Principal of the Series 2012D Bonds**	**Interest on the Series 2012D Bonds**	**Total Debt Service on the Series 2012D Bonds**
2013	$1,835,000	$1,630,543	$3,465,543
2014	2,245,000	1,220,250	3,465,250
2015	2,305,000	1,152,900	3,457,900
2016	2,380,000	1,083,750	3,463,750
2017	2,445,000	1,016,550	3,461,550
2018	2,510,000	952,650	3,462,650
2019	2,570,000	890,600	3,460,600
2020	2,635,000	826,175	3,461,175
2021	2,720,000	745,300	3,465,300
2022	2,810,000	649,013	3,459,013
2023	2,910,000	553,013	3,463,013
2024	3,050,000	407,513	3,457,513
2025	3,145,000	316,013	3,461,013
2026	3,245,000	217,731	3,462,731
2027	155,000	116,325	271,325
2028	160,000	110,900	270,900
2029	165,000	105,300	270,300
2030	170,000	99,525	269,525
2031	180,000	93,575	273,575
2032	185,000	87,275	272,275
2033	190,000	80,800	270,800
2034	200,000	73,200	273,200
2035	205,000	65,200	270,200
2036	215,000	57,000	272,000
2037	225,000	48,400	273,400
2038	235,000	39,400	274,400
2039	240,000	30,000	270,000
2040	250,000	20,400	270,400
2041	260,000	10,400	270,400

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The following table sets forth the principal, the interest and the total debt service to be paid on the Series 2012E Bonds during each twelve-month period ending October 1 of the years shown.

12-Month Period Ending October 1,	Principal of the Series 2012E Bonds	Interest on the Series 2012E Bonds	Total Debt Service on the Series 2012E Bonds
2013	$275,000	$458,309	$733,309
2014	385,000	347,800	732,800
2015	390,000	340,100	730,100
2016	400,000	332,300	732,300
2017	405,000	324,300	729,300
2018	415,000	316,200	731,200
2019	425,000	307,900	732,900
2020	435,000	298,338	733,338
2021	445,000	287,463	732,463
2022	455,000	275,781	730,781
2023	470,000	263,269	733,269
2024	485,000	249,169	734,169
2025	495,000	234,619	729,619
2026	330,000	219,150	549,150
2027	340,000	208,425	548,425
2028	350,000	197,375	547,375
2029	365,000	185,125	550,125
2030	375,000	172,350	547,350
2031	390,000	159,225	549,225
2032	405,000	145,575	550,575
2033	415,000	131,400	546,400
2034	435,000	114,800	549,800
2035	450,000	97,400	547,400
2036	470,000	79,400	549,400
2037	485,000	60,600	545,600
2038	505,000	41,200	546,200
2039	525,000	21,000	546,000

PART 4 – THE SCHOOL DISTRICTS

The principal amount of the Loans to the School Districts, the financial advisor to the School Districts and the bond counsel to the School Districts are listed in Appendix B hereto. Summaries of the constitutional and statutory debt structure and tax and revenue collections which are generally applicable to all school districts in the State are included in this PART 4. Certain financial and economic information for each School District is included in Appendix C. The financial statements as of June 30, 2011 of all the School Districts and additional information on certain of the School Districts have been filed by the School Districts with the EMMA system maintained by the MSRB. Such financial statements are incorporated herein by reference and copies are on file at the principal office of the Authority.

Summaries of Constitutional and Statutory Debt Provisions

The New York State Constitution and Local Finance Law limit the power of municipalities and school districts of the State, including the School Districts, to issue obligations and to contract indebtedness. Such constitutional and statutory limitations include the following, in summary form, and are generally applicable to each School District and the School District Bonds. A school district may contract indebtedness only for a school district purpose and must pledge its faith and credit for the payment of principal of and interest thereon. School district indebtedness must be amortized in accordance with constitutional and statutory requirements. A school district must 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 serial bonds, bond anticipation notes and capital notes. A school district has the power to levy taxes on real property for the payment of interest on or principal of indebtedness contracted by it, and under the State Constitution the State Legislature may not restrict such power.

Pursuant to the Local Finance Law, a school district has the power to contract indebtedness for any school district purpose authorized by the State Legislature, provided the aggregate principal amount of such indebtedness must not exceed the applicable percentage of the applicable valuation of the taxable real estate of the school district and subject to certain enumerated deductions from indebtedness such as, in certain cases, State aid for building purposes. The applicable percentages depend on the type of school district. For a school district other than a school district in a city, the percentage is 10% of the "full valuation;" for a school district in a city with a population of less than 125,000, 5% of the "average full valuation;" and for a school district in a city with a population of 125,000 or more other than The City of New York, 9% of the "average full valuation." There are constitutional and statutory methods for determining full valuation and average full valuation. The Local Finance Law also provides exceptions by which a school district may incur indebtedness in excess of the normal debt limit. See Appendix C for the calculation of the debt limit applicable to each School District.

In general, the State Legislature has authorized the power and procedure for school districts to incur indebtedness by the enactment of the Local Finance Law subject to the Constitutional provisions described above. A school district may issue bonds for any purpose authorized by the Local Finance Law. No principal installment may be more than 50% in excess of the smallest prior principal installment unless the school district has elected to issue obligations with substantially level or declining annual debt service. If a school district issues bonds with a substantially level or declining annual debt service schedule, then the aggregate amount of debt service payable in each year may not exceed the lowest aggregate amount of debt service payable in any prior year by more than the greater of 5% or $10,000. Such school districts are required to provide an annual appropriation for the payment of interest due during the year on their indebtedness and for the amounts required in such year for amortization and redemption of their bonds and required annual installments on their notes. The power of school districts to spend money, however, generally derives from other State and local laws. Bond anticipation notes may be issued for up to a five-year term or may be renewed each year provided that such renewals, subject to certain exceptions, do not exceed five years beyond the original date of borrowing. The Local Finance Law also contains provisions providing school districts with the power to issue certain other short-term general obligation indebtedness, including revenue and tax anticipation notes and budget and capital notes.

Special Provisions Affecting Remedies on Default

Section 99-b of the State Finance Law provides a mechanism for the intercept of certain State aid or assistance for the payment of the principal of and interest on bonds and notes of a school district (including School District Bonds) in default on such payment. The intercept mechanism provides procedures for giving of default notices to the State Comptroller, payment by the State Comptroller to the paying agent or agents for the bonds and notes in default of all or a portion of the amount then due and allotment, apportionment or payment by the State Comptroller of such State aid or assistance due to such school district.

The Act also authorizes an intercept mechanism under which the State Comptroller shall pay the State aid assigned by the School District to the Authority directly to the Authority for payments of amounts due under the respective Agreement then in default. Pursuant to this intercept mechanism, the Authority is required to certify annually to the Commissioner of Education a statement of all amounts due from each School District to the Authority under an applicable Agreement. The Commissioner of Education, in turn, is required to include in the certificate filed with the State Comptroller a statement showing the amount owed to the Authority by each School District. Pursuant to the MOU, the Authority has agreed to notify the Commissioner of Education within five (5) business days after payment is due of any failure by the School District to pay (a "Delinquency Notice") and the Commissioner of Education has agreed to promptly forward such Delinquency Notice to the State Comptroller. Upon receipt of such Delinquency Notice, the State Comptroller agrees to pay to the Trustee the amount set forth in the Delinquency Notice from any funds of the State that become due and payable to the defaulting School District. Until the amount set forth in the Delinquency Notice has been fully paid to the Trustee, the State Comptroller shall not pay any State funds to the defaulting School District.

Other State financing programs incorporate similar procedures for the withholding of State aid as security for the repayment of financial assistance provided to various program participants. Moreover, the State has the power to create other State aid intercept provisions as well as the power to reduce or eliminate State aid paid to the School Districts. Pursuant to the Agreements, each School District is permitted to pledge its State aid to secure subsequent Series of Authority Bonds or to secure bonds issued by any agency or instrumentality of the United States of America or the State or any authority, agency or political subdivision of the State, or as otherwise consented to in writing by the Authority. If a School District is or becomes a participant in any such other program or otherwise pledges its State aid, the extent to which State aid would be available to cure a default by such School District under its Agreement or School District Bonds, pursuant to the State aid intercept authorized under the Act, could be affected by the timing and the existence of defaults under such other program, and the withholding of State aid to the School District in whole or in part, pursuant to the withholding procedures of such other program, to cure such defaults. As described above, Section 99-b of the State Finance Law also provides a mechanism for the intercept of certain State aid or assistance for the payment of the principal of and interest on bonds and notes of a school district in default on such payment. School districts in the State (including the School Districts) have the authority to issue and sell bonds and notes secured by such Section 99-b intercept without Authority consent. Such Section 99-b intercept of State aid for school districts bonds and notes other than the School District Bonds could also affect the extent to which State aid would be available to cure a default by such School District under its Agreement or School District Bonds, pursuant to the State aid intercept authorized under the Act.

Under current law, provision is made for contract creditors (including the Authority as the holder of the School District Bonds delivered pursuant to the Agreement) of the school district to enforce payments upon such contracts, if necessary, through court action, although the present statute limits interest on the amount adjudged due to creditors to 9% per annum from the date due to the date of payment. 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 current funds or the proceeds of a tax levy.

The State has consented that any municipality in the State may file a petition with any 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, the United States Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debts, including judicial control over identifiable and unidentifiable creditors. Such provision is not applicable to school districts. However, there can be no assurance that State law will not be amended in the future to extend such authorization to school districts.

In recent times, certain events and legislation affecting remedies on 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 municipalities of the State require the exercise by the State of its emergency and police powers to assure the continuation of essential public services.

Financial Factors

School district finances are generally accounted primarily through the General Fund of the school district. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. Each School District derives the bulk of its annual revenues from a tax on real property and from State aid. See Appendix C for certain financial and economic information for each School District and the financial statements filed by the School Districts with the MSRB through its EMMA system.

Real Property Tax Collections. Depending on the school district, real property taxes are typically due on a fixed date in each year or are payable in installments over the course of a year. Penalties on unpaid taxes vary by school district, and generally begin to be imposed one month to six weeks after the taxes are due. Generally, the counties and/or cities in which school districts are located pay school districts the amount of their uncollected taxes by the end of the fiscal year of the school districts in some cases or before the end of the second fiscal year in other cases, thus assuring the school districts of receipt of their full levy. Because there is no uniform procedure for tax collection throughout the State, the procedure for tax collection in some school districts may vary from the general procedure described above. See Appendix C for a discussion of procedures for collection of real property taxes levied by each School District.

Real Property Levy. Chapter 97 of the Laws of 2011 ("Chapter 97") was enacted on June 24, 2011. Chapter 97 limits the amount that a school district (other than the "Big 5" city school districts: Buffalo, New York City, Rochester, Syracuse and Yonkers) may increase its real property tax levy to the lesser of the rate of inflation or 2% (the "Tax Levy Cap"). Chapter 97 allows a school district to exceed the Tax Levy Cap only with at least 60%

voter approval. Any separate proposition that would cause a school district's tax levy limit to be exceeded also must receive at least 60% voter approval. School districts subject to the Tax Levy Cap are required to calculate their tax levy limit and submit the information to the Commissioner of Education, State Comptroller, and Commissioner of Taxation and Finance no later than March 1st of each year.

In addition, Chapter 97:

- After a school district budget is rejected, allows a school district to resubmit the budget for another vote or adopt a zero tax levy growth budget. School districts would be required to adopt a zero tax levy growth budget if the proposed budget were twice rejected by voters.

- Includes a carryover provision of up to 1.5% from one year to the next of any amount in which the previous year's tax levy was below that year's Tax Levy Cap.

- Includes a tax base growth factor calculated by the Commissioner of Taxation and Finance to account for any increase in the full value of taxable real property.

- Exempts certain pension payments, court orders and judgments and voter approved capital expenditures. Voter approved capital expenditures include the taxes associated with budgeted expenditures resulting from the financing, refinancing, acquisition, design, construction, reconstruction, rehabilitation, improvement, furnishing and equipping of, or otherwise providing for school district capital facilities or school district capital equipment, including debt service and lease expenditures, and transportation capital debt service, subject to the approval of the qualified voters where required by law. The portion of the tax levy necessary to support voter approved capital expenditures is an exclusion from the Tax Levy Cap. School district obligations issued to finance the local share of voter approved capital expenditures are hereinafter referred to as "Capital Project Obligations". Voter approved capital expenditures do not include debt service on tax anticipation notes, revenue anticipation notes, budget notes and deficit notes.

- Requires that excess funds that are collected due to clerical or technical errors be held in reserve as determined by the Office of the State Comptroller. Those funds (including interest earned) are required to be used to offset the tax levy for the following fiscal year.

- Unless extended, sunsets on June 15, 2016.

The School Districts are required to comply with the provisions of Chapter 97 beginning with the fiscal year commencing July 1, 2012. However, the School District Bonds of each School District will be Capital Project Obligations and, therefore, the local share of debt service on the School District Bonds will be excluded from each School District's calculation of the Tax Levy Cap.

STAR - School Tax Exemption. The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and undisclosed retirement annuities ("STAR Adjusted Gross Income") of $79,050 or less, increased annually according to a cost-of-living adjustment, are eligible for a "full value" exemption of the first $62,200 (adjusted annually). Other homeowners with household STAR Adjusted Gross Income not in excess of $500,000 are eligible for a $30,000 "full value" exemption on their primary residence. School districts receive full reimbursement from the State for real property taxes exempted pursuant to the STAR program by the first business day in January of each year.

State Aid. Each school district receives State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. State aid is a substantial percentage of the revenues of each School District. While the State has a constitutional duty to maintain and support a system of free common schools that provides a "sound basic education" to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the School Districts can be paid only if the State has such monies available for such payment.

The amount of State aid to school districts is dependent in part upon the financial condition of the State. The recent economic downturn and global financial crisis have had and may continue to have an adverse impact on the State's financial condition and may adversely affect the amount and payment of State aid to school districts. During the State's 2010 fiscal year, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. The State's 2012-13 Enacted State Budget includes a total of approximately $20.4 billion for school aid, including performance grants to reward academic improvement and school district efficiencies. This represents an increase of $805 million in total education spending, with most of the allocated increase targeted to high needs school districts. Under the current budget, low-wealth school districts would receive proportionally smaller reductions in State aid payments than high-wealth school districts. See Appendix C for information relating to State aid payments for each of the School Districts.

The availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in the adoption of the State budget for future fiscal years or cash flow difficulties that may be encountered by the State. Reductions or delays in the payment of State aid could adversely affect the financial condition of school districts in the State.

Pension Payments. All non-teaching and non-certified administrative employees of school districts eligible for pension or retirement benefits under the Retirement and Social Security Law of the State are members of the New York and Local Employees' Retirement System ("ERS"). All teachers and certified administrators of school districts eligible for pension or retirement benefits under the Retirement and Social Security Law of the State are members of the New York State Teachers' Retirement System ("TRS" and, collectively with ERS, the "Retirement Systems"). Payments to the TRS are deducted from each school district's State aid payments.

See Appendix C for a table of payments made by each School District to the Retirement Systems for the 2007-2008 through 2010-2011 fiscal years and the budgeted amount of such payments to be made to the Retirement Systems in the 2011-2012 fiscal year.

GASB 45 and OPEB. OPEB refers to "other post-employment benefits," meaning post retirement benefits other than pension benefits. OPEB consist primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Until now, these benefits generally have been administered on a pay-as-you-go basis and have not been reported as a liability on the financial statements of municipalities and school districts.

It also should be noted that school districts provide post-retirement healthcare benefits to various categories of former employees and, unlike other municipal units of government in the State, school districts are prohibited by law from reducing retiree health benefits or increasing health care contributions received or paid by retirees below the level of benefits or contributions afforded to or required from active employees.

GASB Statement No. 45 ("GASB 45") of the Governmental Accounting Standards Board ("GASB") requires municipalities and school districts to account for OPEB liabilities much like they already account for pension liabilities, generally adopting the actuarial methodologies used for pensions, with adjustments for the different characteristics of OPEB and the fact that most municipalities and school districts have not set aside any funds against this liability.

Under GASB 45, based on actuarial valuation, an annual required contribution ("ARC") will be determined for each municipality or school district. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. If a municipality or school district contributes an amount less than the ARC, a net OPEB obligation will result, which is required to be recorded as a liability on its financial statements.

GASB 45 does not require that the unfunded liability actually be amortized nor that it be advance funded, only that the municipality or school district account for its unfunded accrued liability and compliance in meeting its ARC. The unfunded actuarial accrued liability of a particular School District could have a material adverse impact on such School District's finances and could force such School District to reduce services, raise taxes or both.

See Appendix C for a discussion of the impact of GASB 45 on each of the School Districts.

Litigation

Except as described in Appendix C hereto, each School District represents that there are no suits pending or, to the knowledge of such School District, threatened against such School District wherein an unfavorable result would have a material adverse effect on the financial condition of such School District and any litigation pending is generally of a routine nature which does not affect the right of such School District to conduct its business or affect the validity of its obligations.

PART 5 – ESTIMATED SOURCES AND USES OF FUNDS

Estimated sources and uses of funds are as follows:

Estimated Sources of Funds	**Series 2012A Bonds**	**Series 2012B Bonds**	**Series 2012C Bonds**	**Series 2012D Bonds**	**Series 2012E Bonds**
Principal Amount	$124,120,000	$22,065,000	$27,530,000	$39,840,000	$11,320,000
Net Original Issue Premium/(Discount)	15,995,547	2,816,949	3,096,372	1,092,366	(78,456)
Total Estimated Sources	$140,115,547	$24,881,949	$30,626,372	$40,932,366	$11,241,544
Estimated Uses of Funds					
Deposit to Project Account	$137,128,330	$24,332,322	$29,962,816	$40,000,000	$10,908,440
Costs of Issuance*	2,249,229†	419,002	501,160	696,660†	262,833†
Underwriter's Discount	737,988	130,625	162,396	235,706	70,271
Total Estimated Uses	$140,115,547	$24,881,949	$30,626,372	$40,932,366	$11,241,544

* Includes State of New York Bond Issuance Charge and other costs.

† Includes Bond Insurance

PART 6 – THE PLAN OF FINANCE

A portion of the proceeds of each Series of the Series 2012 Bonds will be used to provide for the financing of all or a portion of the costs of school district capital facilities and school district capital equipment of the School Districts and/or the refinancing of certain bond anticipation notes of the School Districts the proceeds of which were used to finance all or a portion of the costs of school district capital facilities and school district capital equipment of such School District. Additional information regarding the indebtedness of each School District is included in Appendix C.

PART 7 – THE AUTHORITY

Background, Purposes and Powers

The Authority is a body corporate and politic constituting a public benefit corporation. The Authority was created by the Act for the purpose of financing and constructing a variety of facilities for certain independent colleges and universities and private hospitals, certain not-for-profit institutions, public educational institutions including The State University of New York, The City University of New York and Boards of Cooperative Educational Services ("BOCES"), certain school districts in the State, facilities for the Departments of Health and Education of the State, the Office of General Services, the Office of General Services of the State on behalf of the Department of Audit and Control, facilities for the aged and certain judicial facilities for cities and counties. The Authority is also authorized to make and purchase certain loans in connection with its student loan program. To carry out this purpose, the Authority was given the authority, among other things, to issue and sell negotiable bonds and notes to finance the construction of facilities of such institutions, to issue bonds or notes to refund outstanding bonds or notes and to lend funds to such institutions.

On September 1, 1995, the Authority through State legislation (the "Consolidation Act") succeeded to the powers, duties and functions of the New York State Medical Care Facilities Finance Agency (the "Agency") and the Facilities Development Corporation (the "Corporation"), each of which will continue its corporate existence in and through the Authority. Under the Consolidation Act, the Authority has also acquired by operation of law all assets and property, and has assumed all the liabilities and obligations, of the Agency and the Corporation, including, without limitation, the obligation of the Agency to make payments on its outstanding bonds, and notes or other obligations. Under the Consolidation Act, as successor to the powers, duties and functions of the Agency, the Authority is authorized to issue and sell negotiable bonds and notes to finance and refinance mental health services facilities for use directly by the New York State Department of Mental Hygiene and by certain voluntary agencies. As such successor to the Agency, the Authority has acquired additional authorization to issue bonds and notes to provide certain types of financing for certain facilities for the Department of Health, not-for-profit corporations providing hospital, medical and residential health care facilities and services, county and municipal hospitals and nursing homes, not-for-profit and limited profit nursing home companies, qualified health maintenance organizations and health facilities for municipalities constituting social services districts. As successor to the Corporation, the Authority is authorized, among other things, to assume exclusive possession, jurisdiction, control and supervision over all State mental hygiene facilities and to make them available to the Department of Mental Hygiene, to provide for construction and modernization of municipal hospitals, to provide health facilities for municipalities, to provide health facilities for voluntary non-profit corporations, to make its services available to the State Department of Correctional Services, to make its services available to municipalities to provide for the design and construction of local correctional facilities, to provide services for the design and construction of municipal buildings, and to make loans to certain voluntary agencies with respect to mental hygiene facilities owned or leased by such agencies.

The Authority has the general power to acquire real and personal property, give mortgages, make contracts, operate dormitories and other facilities and fix and collect rentals or other charges for their use, contract with the holders of its bonds and notes as to such rentals and charges, make reasonable rules and regulations to assure the maximum use of facilities, borrow money, issue negotiable bonds or notes and provide for the rights of their holders and adopt a program of self-insurance.

In addition to providing financing, the Authority offers a variety of services to certain educational, governmental and not-for-profit institutions, including advising in the areas of project planning, design and construction, monitoring project construction, purchasing of furnishings and equipment for projects, designing interiors of projects and designing and managing projects to rehabilitate older facilities. In succeeding to the powers, duties and functions of the Corporation as described above, the scope of design and construction services afforded by the Authority has been expanded.

Outstanding Indebtedness of the Authority (Other than Indebtedness Assumed by the Authority)

At March 31, 2012, the Authority had approximately $44.3 billion aggregate principal amount of bonds and notes outstanding, excluding indebtedness of the Agency assumed by the Authority on September 1, 1995 pursuant to the Consolidation Act. The debt service on each such issue of the Authority's bonds and notes is paid from moneys received by the Authority or the trustee from or on behalf of the entity having facilities financed with the proceeds from such issue or from borrowers in connection with its student loan program.

The Authority's bonds and notes include both special obligations and general obligations of the Authority. The Authority's special obligations are payable solely from payments required to be made by or for the account of the institution for which the particular special obligations were issued or from borrowers in connection with its student loan program. Such payments are pledged or assigned to the trustees for the holders of respective special obligations. The Authority has no obligation to pay its special obligations other than from such payments. The Authority's general obligations are payable from any moneys of the Authority legally available for the payment of such obligations. However, the payments required to be made by or for the account of the institution for which general obligations were issued generally have been pledged or assigned by the Authority to trustees for the holders of such general obligations. The Authority has always paid the principal of and interest on its special and general obligations on time and in full.

The total amounts of the Authority bonds and notes (excluding debt of the Agency assumed by the Authority on September 1, 1995 pursuant to the Consolidation Act) outstanding at March 31, 2012 were as follows:

Public Programs	Bonds Issued	Bonds Outstanding	Notes Outstanding	Bonds and Notes Outstanding
State University of New York Dormitory Facilities	$ 2,738,656,000	$ 1,364,250,000	$ 0	$ 1,364,250,000
State University of New York Educational and Athletic Facilities	16,185,382,999	6,868,294,624	0	6,868,294,624
Upstate Community Colleges of the State University of New York	1,644,630,000	664,175,000	0	664,175,000
Senior Colleges of the City University of New York	11,126,291,762	3,693,833,213	0	3,693,833,213
Community Colleges of the City University of New York	2,590,993,350	547,566,787	0	547,566,787
BOCES and School Districts	3,279,181,208	2,439,090,000	0	2,439,090,000
Judicial Facilities	2,161,277,717	668,012,717	0	668,012,717
New York State Departments of Health and Education and Other	7,400,435,000	4,822,440,000	0	4,822,440,000
Mental Health Services Facilities	8,662,585,000	4,070,455,000	0	4,070,455,000
New York State Taxable Pension Bonds	773,475,000	0	0	0
Municipal Health Facilities Improvement Program	1,146,845,000	719,200,000	0	719,200,000
Totals Public Programs	$ 57,709,753,036	$ 25,857,317,341	$ 0	$ 25,857,317,341

Non-Public Programs	Bonds Issued	Bonds Outstanding	Notes Outstanding	Bonds and Notes Outstanding
Independent Colleges, Universities and Other Institutions	$ 20,658,539,952	$ 10,708,659,444	$ 78,095,000	$ 10,786,754,444
Voluntary Non-Profit Hospitals	15,421,259,309	7,052,570,000	0	7,052,570,000
Facilities for the Aged	2,030,560,000	613,645,000	0	613,645,000
Supplemental Higher Education Loan Financing Program	95,000,000	0	0	0
Totals Non-Public Programs	$ 38,205,359,261	$ 18,374,874,444	$ 78,095,000	$ 18,452,969,444
Grand Totals Bonds and Notes	$ 95,915,112,297	$ 44,232,191,785	$ 78,095,000	$ 44,310,286,785

Outstanding Indebtedness of the Agency Assumed by the Authority

At March 31, 2012, the Agency had approximately $183.6 million aggregate principal amount of bonds outstanding, the obligations as to all of which have been assumed by the Authority. The debt service on each such issue of bonds is paid from moneys received by the Authority (as successor to the Agency) or the trustee from or on behalf of the entity having facilities financed with the proceeds from such issue.

The total amounts of the Agency's bonds (which indebtedness was assumed by the Authority on September 1, 1995) outstanding at March 31, 2012 were as follows:

Public Programs	Bonds Issued	Bonds Outstanding
Mental Health Services Improvement Facilities	$ 3,817,230,725	$ 0
Non-Public Programs	**Bonds Issued**	**Bonds Outstanding**
Hospital and Nursing Home Project Bond Program	$ 226,230,000	$ 2,035,000
Insured Mortgage Programs	6,625,079,927	178,175,000
Revenue Bonds, Secured Loan and Other Programs	2,414,240,000	3,440,000
Total Non-Public Programs	$ 9,265,549,927	$ 183,650,000
Total MCFFA Outstanding Debt	$ 13,082,780,652	$ 183,650,000

Governance

The Authority carries out its programs through an eleven-member board, a full-time staff of approximately 660 persons, independent bond counsel and other outside advisors. Board members include the Commissioner of Education of the State, the Commissioner of Health of the State, the State Comptroller or one member appointed by him or her who serves until his or her successor is appointed, the Director of the Budget of the State, one member appointed by the Temporary President of the State Senate, one member appointed by the Speaker of the State Assembly and five members appointed by the Governor, with the advice and consent of the Senate, for terms of three years. The Commissioner of Education of the State, the Commissioner of Health of the State and the Director of the Budget of the State each may appoint a representative to attend and vote at Authority meetings. The members of the Authority serve without compensation, but are entitled to reimbursement of expenses incurred in the performance of their duties.

The Governor of the State appoints a Chair from the members appointed by him or her and the members of the Authority annually choose the following officers, of which the first two must be members of the Authority: Vice-Chair, Secretary, Treasurer, Assistant Secretaries and Assistant Treasurers.

The current members of the Authority are as follows:

ALFONSO L. CARNEY, JR., *Chair*, New York.

Alfonso L. Carney, Jr. was appointed as a Member of the Authority by the Governor on May 20, 2009. Mr. Carney is a principal of Rockwood Partners, LLC, which provides medical and legal consulting services in New York City. Consulting for the firm in 2005, he served as Acting Chief Operating Officer and Corporate Secretary for the Goldman Sachs Foundation in New York where, working with the President of the Foundation, he directed overall staff management of the foundation, and provided strategic oversight of the administration, communications and legal affairs teams, and developed selected foundation program initiatives. Prior to this, Mr. Carney held several positions with Altria Corporate Services, Inc., most recently as Vice President and Associate General Counsel for Corporate and Government Affairs. Prior to that, Mr. Carney served as Assistant Secretary of Philip Morris Companies Inc. and Corporate Secretary of Philip Morris Management Corp. For eight years, Mr. Carney was Senior International Counsel first for General Foods Corporation and later for Kraft Foods, Inc. and previously served as Trade Regulation Counsel, Assistant Litigation Counsel and Federal Government Relations Counsel for General Foods, where he began his legal career in 1975 as a Division Attorney. Mr. Carney is a trustee of Trinity College, the University of Virginia Law School Foundation, the Riverdale Country School and the Virginia Museum of Fine Arts in Richmond. In addition, he is a trustee of the Burke Rehabilitation Hospital in White Plains. Mr. Carney holds a Bachelors degree in Philosophy from Trinity College and a Juris Doctor degree from the University of Virginia School of Law. His current term expires on March 31, 2013.

JOHN B. JOHNSON, JR., *Vice-Chair,* Watertown.

John B. Johnson, Jr. was appointed as a Member of the Authority by the Governor on June 20, 2007. Mr. Johnson is Chairman of the Board and Chief Executive Officer of the Johnson Newspaper Corporation, which publishes the Watertown Daily Times, Batavia Daily News, Malone Telegram, Catskill Daily Mail, Hudson Register Star, Ogdensburg Journal, Massena-Potsdam Courier Observer, seven weekly newspapers and three shopping newspapers. He is director of the New York Newspapers Foundation, a member of the Development Authority of the North Country and the Fort Drum Regional Liaison Committee, a trustee of Clarkson University and president of the Bugbee Housing Development Corporation. Mr. Johnson has been a member of the American Society of Newspaper Editors since 1978, and was a Pulitzer Prize juror in 1978, 1979, 2001 and 2002. He holds a Bachelor's degree from Vanderbilt University, and Master's degrees in Journalism and Business Administration from the Columbia University Graduate School of Journalism and Business. Mr. Johnson was awarded an Honorary Doctor of Science degree from Clarkson University. Mr. Johnson's term expires on March 31, 2013.

JACQUES JIHA, Ph.D., *Secretary*, Woodbury.

Jacques Jiha was appointed as a Member of the Authority by the Governor on December 15, 2008. Mr. Jiha is the Executive Vice President/Chief Operating Officer & Chief Financial Officer of Earl G. Graves, Ltd/Black Enterprise, a multi-media company with properties in print, digital media, television, events and the internet. He is a member of the Investment Advisory Committee of the New York Common Retirement Fund and a member of the Board of Directors at Ronald McDonald House of New York. Previously, Mr. Jiha served as Deputy Comptroller for Pension Investment and Public Finance in the Office of the New York State Comptroller. As the state's chief investment officer, he managed the assets of the NY Common Retirement Fund, valued at $120 billion, and was also in charge of all activities related to the issuance of New York State general obligation bonds, bond anticipation notes, tax and revenue anticipation notes, and certificates of participation. Mr. Jiha was the Co-Executive Director of the New York State Local Government Assistance Corporation (LGAC) in charge of the sale of refunding bonds, the ratification of swap agreements, and the selection of financial advisors and underwriters. Prior thereto, Mr. Jiha was Nassau County Deputy Comptroller for Audits and Finances. He also worked for the New York City Office of the Comptroller in increasingly responsible positions: first as Chief Economist and later as Deputy Comptroller for Budget. Earlier, Mr. Jiha served as Executive Director of the New York State Legislative Tax Study Commission and as Principal Economist for the New York State Assembly Committee on Ways and Means. He holds a Ph.D. and a Master's degree in Economics from the New School University and a Bachelor's degree in Economics from Fordham University. His current term expired on March 31, 2011 and by law he continues to serve until a successor shall be chosen and qualified.

CHARLES G. MOERDLER, Esq., New York.

Charles Moerdler was appointed as a Member of the Authority by the Governor on March 16, 2010. Mr. Moerdler is a founding partner in the Litigation Practice of the law firm Stroock & Stroock & Lavan LLP. His areas of practice include defamation, antitrust, securities, real estate, class actions, health care, international law, labor law, administrative law and zoning. By appointment of the Appellate Division, First Department, Mr. Moerdler serves as Vice Chair of the Committee on Character and Fitness and as a Member of the Departmental Disciplinary Committee. He served as Commissioner of Housing and Buildings of the City of New York, as a real estate and development consultant to New York City Mayor John Lindsay, as a member of the City's Air Pollution Control Board, and as Chairman and Commissioner of the New York State Insurance Fund. Mr. Moerdler currently serves on the Board of Directors of the New York City Housing Development Corporation as well as the Metropolitan Transportation Authority and is a member of the New York City Board of Collective Bargaining. He holds a Bachelors of Arts degree from Long Island University and a Juris Doctor degree from Fordham University. His current term expired on March 31, 2012 and by law he continues to serve until a successor shall be chosen and qualified.

BERYL L. SNYDER, J.D., New York

Ms. Snyder was appointed as a member of the Authority by the Governor on June 15, 2011. She is currently a principal in HBJ Investments, LLC, an investment company where her duties include evaluation and analysis of a wide variety of investments in, among other areas: fixed income, equities, alternative investments and early stage companies. Previously, she was Vice President, General Counsel and a Director of Biocraft Laboratories, Inc. and a Director of Teva Pharmaceuticals. Ms. Snyder serves as a Board member of the Beatrice Snyder Foundation, the Roundabout Theater, the Advisory Committee of the Hospital of Joint Diseases and the Optometric Center of New York, where she also serves on the Investment Committee. She holds a Bachelor of Arts degree in History from Vassar College and a Juris Doctor degree from Rutgers University. Her current term expires on August 31, 2013.

SANDRA M. SHAPARD, Delmar.

Ms. Shapard was appointed as a Member of the Authority by the State Comptroller on January 21, 2003. Ms. Shapard served as Deputy Comptroller for the Office of the State Comptroller from January, 1995 until her retirement in 2001, during which time she headed the Office of Fiscal Research and Policy Analysis and twice served as Acting First Deputy Comptroller. Previously, Ms. Shapard held the positions of Deputy Director and First Deputy Director for the New York State Division of Budget, from 1991 to 1994, and Deputy Assistant Commissioner for Transit for the State Department of Transportation, from 1988 to 1991. She began her career in New York State government with the Assembly in 1975 where, over a thirteen year period, she held the positions of Staff Director of the Office of Counsel to the Majority, Special Assistant to the Speaker, and Deputy Director of Budget Studies for the Committee on Ways and Means. Ms. Shapard also served as Assistant to the County Executive in Dutchess County. A graduate of Mississippi University for Women, Ms. Shapard received a Masters of Public Administration from Harvard University, John F. Kennedy School of Government, where she has served as visiting lecturer, and has completed graduate work at Vanderbilt University.

GERARD ROMSKI, Esq., Mount Kisco.

Mr. Romski was appointed as a Member of the Authority by the Temporary President of the State Senate on June 8, 2009. He is Counsel and Project Executive for "Arverne By The Sea," where he is responsible for advancing and overseeing all facets of "Arverne by the Sea," one of New York City's largest mixed-use developments located in Queens, NY. Mr. Romski is also of counsel to the New York City law firm of Bauman, Katz and Grill LLP. He formerly was a partner in the law firm of Ross & Cohen, LLP (now merged with Duane Morris, LLP) for twelve years, handling all aspects of real estate and construction law for various clients. He previously served as Assistant Division Chief for the New York City Law Department's Real Estate Litigation Division where he managed all aspects of litigation arising from real property owned by The City of New York. Mr. Romski is a member of the Urban Land Institute, Council of Development Finance Agencies, the New York State Bar Association, American Bar Association and New York City Bar Association. He previously served as a member of the New York City Congestion Mitigation Commission and the Board of Directors for the Bronx Red Cross. Mr. Romski holds a Bachelor of Arts degree from the New York Institute of Technology and a Juris Doctor degree from Brooklyn Law School.

ROMAN B. HEDGES, Ph.D., Delmar.

Dr. Hedges was appointed as a Member of the Authority by the Speaker of the State Assembly on February 24, 2003. Dr. Hedges serves on the Legislative Advisory Task Force on Demographic Research and Reapportionment. He is the former Deputy Secretary of the New York State Assembly Committee on Ways and Means. Dr. Hedges previously served as the Director of Fiscal Studies of the Assembly Committee on Ways and Means. He was an Associate Professor of Political Science and Public Policy at the State University of New York at Albany where he taught graduate and undergraduate courses in American politics, research methodology, and public policy. Dr. Hedges holds a Doctor of Philosophy and a Master of Arts degree from the University of Rochester and a Bachelor of Arts degree from Knox College.

JOHN B. KING, JR., J.D., Ed.D., *Commissioner of Education of the State of New York,* Slingerlands; *ex-officio.*

Dr. John B. King, Jr., was appointed by the Board of Regents to serve as President of the University of the State of New York and Commissioner of Education on July 15, 2011. As Commissioner of Education, Dr. King serves as chief executive officer of the State Education Department and as President of the University of the State of New York, which is comprised of public and non-public elementary and secondary schools, public and independent colleges and universities, libraries, museums, broadcasting facilities, historical repositories, proprietary schools and services for children and adults with disabilities. Dr. King is also responsible for licensing, practice and oversight of numerous professions. Dr. King previously served as Senior Deputy Commissioner for P-12 Education at the New York State Education Department. Prior thereto, Dr. King served as a Managing Director with Uncommon Schools. Prior to this, Dr. King was Co-Founder and Co-Director for Curriculum & Instruction of Roxbury Preparatory Charter School and prior to that, Dr. King was a teacher in San Juan, Puerto Rico and Boston, Massachusetts. He holds a Bachelor of Arts degree in Government from Harvard University, a Master of Arts degree in Teaching of Social Studies from Teachers College, Columbia University, a Juris Doctor degree from Yale Law School and a Doctor of Education degree in Educational Administrative Practice from Teachers College, Columbia University.

NIRAV R. SHAH, M.D., M.P.H., *Commissioner of Health*, Albany; *ex-officio*.

Nirav R. Shah, M.D., M.P.H.., was appointed Commissioner of Health on January 24, 2011. Prior to his appointment he served as Attending Physician at Bellevue Hospital Center, Associate Investigator at the Geisinger Center for Health Research in central Pennsylvania, and Assistant Professor of Medicine at the NYU Langone Medical Center. Dr. Shah is an expert in use of systems-based methods, a leading researcher in use of large scale clinical laboratories and electronic health records and he has served on the editorial boards of various medical journals. He is a graduate of Harvard College, received his medical and master of public health degrees from Yale School of Medicine, was a Robert Wood Johnson Clinical Scholar at UCLA and a National Research Service Award Fellow at NYU.

ROBERT L. MEGNA, *Budget Director of the State of New York,* Albany*; ex-officio.*

Mr. Megna was appointed Budget Director on June 15, 2009. He is responsible for the overall development and management of the State's fiscal policy, including overseeing the preparation of budget recommendations for all State agencies and programs, economic and revenue forecasting, tax policy, fiscal planning, capital financing and management of the State's debt portfolio, as well as pensions and employee benefits. Mr. Megna previously served as Commissioner of the New York State Department of Taxation and Finance, responsible for overseeing the collection and accounting of more than $90 billion in State and local taxes, the administration of State and local taxes, including New York City and the City of Yonkers income taxes and the processing of tax returns, registrations and associated documents. Prior to this he served as head of the Economic and Revenue Unit of the New York State Division of the Budget where he was responsible for State Budget revenue projections and the development and monitoring of the State Financial Plan. Mr. Megna was Assistant Commissioner for Tax Policy for the Commonwealth of Virginia. He also served as Director of Tax Studies for the New York State Department of Taxation and Finance and as Deputy Director of Fiscal Studies for the Ways and Means Committee of the New York State Assembly. Mr. Megna was also an economist for AT&T. He holds Masters degrees in Public Policy from Fordham University and Economics from the London School of Economics.

The principal staff of the Authority is as follows:

PAUL T. WILLIAMS, JR. is the President and chief executive officer of the Authority. Mr. Williams is responsible for the overall management of the Authority's administration and operations. He most recently served as Senior Counsel in the law firm of Nixon Peabody LLP. Prior to working at Nixon Peabody, Mr. Williams helped to establish a boutique Wall Street investment banking company. Prior thereto, Mr. Williams was a partner in, and then of counsel to, the law firm of Bryan Cave LLP. He was a founding partner in the law firm of Wood, Williams, Rafalsky & Harris, which included a practice in public finance and served there from 1984-1998. Mr. Williams began his career as an associate at the law firm of Walker & Bailey in 1977 and thereafter served as a counsel to the New York State Assembly. Mr. Williams is licensed to practice law in the State of New York and holds professional licenses in the securities industry. He holds a Bachelor's degree from Yale University and a Juris Doctor degree from Columbia University School of Law.

MICHAEL T. CORRIGAN is the Vice President of the Authority, and assists the President in the administration and operation of the Authority. Mr. Corrigan came to the Authority in 1995 as Budget Director, and served as Deputy Chief Financial Officer from 2000 until 2003. He began his government service career in 1983 as a budget analyst for Rensselaer County, and served as the County's Budget Director from 1986 to 1995. Immediately before coming to the Authority, he served as the appointed Rensselaer County Executive for a short period. Mr. Corrigan holds a Bachelor's degree in Economics from the State University of New York at Plattsburgh and a Master's degree in Business Administration from the University of Massachusetts.

PORTIA LEE is the Managing Director of Public Finance and Portfolio Monitoring. She is responsible for supervising and directing Authority bond issuance in the capital markets, through financial feasibility analysis and financing structure determination for Authority clients; as well as implementing and overseeing financing programs, including interest rate exchange and similar agreements; overseeing the Authority's compliance with continuing disclosure requirements and monitoring the financial condition of existing Authority clients. Ms. Lee previously served as Senior Investment Officer at the New York State Comptroller's Office where she was responsible for assisting in the administration of the long-term fixed income portfolio of the New York State Common Retirement Fund, as well as the short-term portfolio, and the Securities Lending Program. From 1995 to 2005, Ms. Lee worked at Moody's Investors Service where she most recently served as Vice President and Senior Credit Officer in the Public Finance Housing Group. In addition, Ms. Lee has extensive public service experience working for over 10 years in various positions in the Governor's Office, NYS Department of Social Services, as well as the New York State Assembly. She holds a Bachelor's degree from the State University of New York at Albany.

PAUL W. KUTEY is the Chief Financial Officer of the Authority. Mr. Kutey oversees and directs the activities of the Office of Finance and Information Services. He is responsible for supervising the Authority's investment program, accounting functions, operation, maintenance and development of computer hardware, software and communications infrastructure; as well as the development and implementation of financial policies, financial management systems and internal controls for financial reporting. Previously, Mr. Kutey was Senior Vice President of Finance and Operations for AYCO Company, L.P., a Goldman Sachs Company, where his responsibilities included finance, operations and facilities management. Prior to joining AYCO Company, he served as Corporate Controller and Acting Chief Financial Officer for First Albany Companies, Inc. From 1982 until 2001, Mr. Kutey held increasingly responsible positions with PricewaterhouseCoopers, LLP, becoming Partner in 1993. He is a Certified Public Accountant and holds a Bachelor of Business Administration degree from Siena College.

STEPHEN D. CURRO, P.E. is the Managing Director of Construction. In that capacity, he is responsible for the Authority's construction groups, including design, project management, purchasing, contract administration, interior design, and engineering and other technology services. Mr. Curro joined the Authority in 2001 as Director of Technical Services, and most recently served as Director of Construction Support Services. He is a registered

Professional Engineer in New York and Rhode Island and has worked in the construction industry for over twenty years as a consulting structural engineer and a technology solutions provider. Mr. Curro is also an Adjunct Professor at Hudson Valley Community College and Bryant & Stratton College. He holds a Bachelor of Science in Civil Engineering from the University of Rhode Island, a Master of Engineering in Structural Engineering from Rensselaer Polytechnic Institute and a Master of Business Administration from Rensselaer Polytechnic Institute's Lally School of Management.

CARRA WALLACE is the Managing Director of the Office of Executive Initiatives (OEI). In that capacity, she oversees the Authority's Communications and Marketing, Opportunity Programs, Environmental Initiatives, Client Outreach, Training, Executive Projects, and Legislative Affairs units. Ms. Wallace is responsible for strategic efforts in developing programs, maximizing the utilization of Minority and Women Owned Businesses, and communicating with Authority clients, the public and governmental officials. She possesses more than twenty years of senior leadership experience in diverse private sector businesses and civic organizations. Ms. Wallace most recently served as Executive Vice President at Telwares, a major telecommunications service firm. Prior to her service at Telwares, Ms. Wallace served as Executive Vice President of External Affairs at the NYC Leadership Academy. She holds a Bachelor of Science degree in management from the Pepperdine University Graziadio School of Business and Management.

The position of General Counsel is currently vacant.

Claims and Litigation

Although certain claims and litigation have been asserted or commenced against the Authority, the Authority believes that these claims and litigation are covered by the Authority's insurance or by bonds filed with the Authority should the Authority be held liable in any of such matters, or that the Authority has sufficient funds available or the legal power and ability to seek sufficient funds to meet any such claims or judgments resulting from such litigation.

Other Matters

New York State Public Authorities Control Board

The New York State Public Authorities Control Board (the "PACB") has authority to approve the financing and construction of any new or reactivated projects proposed by the Authority and certain other public authorities of the State. The PACB approves the proposed new projects only upon its determination that there are commitments of funds sufficient to finance the acquisition and construction of the projects. The Authority has obtained the approval of the PACB for the issuance of the Series 2012 Bonds.

Legislation

From time to time, bills are introduced into the State Legislature which, if enacted into law, would affect the Authority and its operations. The Authority is not able to represent whether such bills will be introduced or become law in the future. In addition, the State undertakes periodic studies of public authorities in the State (including the Authority) and their financing programs. Any of such periodic studies could result in proposed legislation which, if adopted, would affect the Authority and its operations.

Environmental Quality Review

The Authority complies with the New York State Environmental Quality Review Act and with the New York State Historic Preservation Act of 1980, and the respective regulations promulgated thereunder respecting the Project to the extent such acts and regulations are applicable.

Independent Auditors

The accounting firm of KPMG LLP audited the financial statements of the Authority for the fiscal year ended March 31, 2011. Copies of the most recent audited financial statements are available upon request at the offices of the Authority.

PART 8 – LEGALITY OF THE SERIES 2012 BONDS FOR INVESTMENT AND DEPOSIT

Under New York State law, the Series 2012 Bonds are securities in which all public officers and bodies of the State and all municipalities and municipal subdivisions, all insurance companies and associations, all savings banks and savings institutions, including savings and loan associations, administrators, guardians, executors, trustees, committees, conservators and other fiduciaries of the State may properly and legally invest funds in their control. However, enabling legislation or bond resolutions of individual public benefit corporations and authorities of the State may limit the investment of funds of such public benefit corporations and authorities in the Series 2012 Bonds.

The Series 2012 Bonds may be deposited with the State Comptroller to secure deposits of State moneys in banks, trust companies and industrial banks.

PART 9 – NEGOTIABLE INSTRUMENTS

The Series 2012 Bonds shall be negotiable instruments as provided in the Act, subject to the provisions for registration and transfer contained in the Master Resolution and in the Series 2012 Bonds.

PART 10 – TAX MATTERS

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and court decisions, and assuming continuing compliance with the covenants described herein, and the accuracy of certain representations by the Authority and the School Districts (and their successors), interest on the Series 2012 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that interest on the Series 2012 Bonds is not an "item of tax preference" for purposes of the individual and corporate alternative minimum taxes imposed under the Code; provided, however, that interest on the Series 2012 Bonds owned by corporations will be included in the calculation of adjusted current earnings, a portion of which is an adjustment to corporate alternative minimum taxable income for purposes of calculating the alternative minimum tax imposed on corporations.

The Code imposes various requirements that must be met in order that interest on the Series 2012 Bonds will be and remain excluded from gross income for federal income tax purposes. Included among these requirements are restrictions on the investment and use of proceeds of the Series 2012 Bonds and the rebate of certain earnings in respect of such investments to the United States. Failure to comply with the requirements of the Code may cause interest on the Series 2012 Bonds to be included in gross income for purposes of federal income tax retroactive to the date of original execution and delivery of the Series 2012 Bonds, regardless of the date on which the event causing such inclusion occurs. The Authority and the School Districts have covenanted in the Resolutions, the Financing Agreements, the Tax Certificates and the Arbitrage and Use of Proceeds Certificates to comply with the requirements of the Code and have made representations in such documents addressing various matters relating to the requirements of the Code. The opinion of Bond Counsel assumes continuing compliance with such covenants as well as the accuracy of such representations made by the Authority and the School Districts (and their successors).

Certain requirements and procedures contained or referred to in the Resolutions, the Financing Agreements, the Tax Certificates, the Arbitrage and Use of Proceeds Certificates and other relevant documents may be changed, and certain actions may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of Bond Counsel. The opinion of Bond Counsel states that no opinion is rendered as to the exclusion from gross income of interest on the Series 2012 Bonds for purposes of federal income taxation on or after the date on which any change occurs or action is taken or omitted under the Resolutions, the Financing Agreements, the Tax Certificates and the Arbitrage and Use of Proceeds Certificates or under any other relevant documents without the advice or approval of, or upon the advice or approval of any bond counsel other than, Hiscock & Barclay, LLP.

Certain maturities of Series 2012 Bonds (the "Discount Bonds") are being sold to the initial purchasers at prices less than the stated principal amounts thereof. The difference between the stated principal amount of the Discount Bonds and the initial offering price to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Discount Bonds of the same maturity were sold constitutes original issue discount that is excluded from gross income for federal income tax purposes to the same extent as interest on the Series 2012 Bonds. Further, such original issue discount accrues actuarially on a constant yield basis over the term of each Discount Bond and the basis of such Discount Bond acquired at such initial offering price by an initial purchaser of each Discount Bond will be increased by the amount of such accrued discount.

Certain maturities of Series 2012 Bonds (the "Premium Bonds") are being sold to the initial purchasers at prices greater than the stated principal amount thereof. The Premium Bonds will be subject to requirements under the Code relating to tax cost reduction associated with the amortization of bond premium and, under certain circumstances, the initial owner of a Premium Bond may realize taxable gain upon disposition of Premium Bonds even though sold or redeemed for an amount less than or equal to such owner's original cost of acquiring Premium Bonds. The amortization requirements may also result in the reduction of the amount of stated interest that an owner of Premium Bonds is treated as having received for federal tax purposes (and an adjustment to basis). Owners of Premium Bonds are advised to consult with their own tax advisors with respect to the tax consequences of owning such Premium Bonds.

Prospective purchasers of the Series 2012 Bonds should be aware that ownership of, accrual or receipt of interest on, or disposition of, the Series 2012 Bonds may have collateral federal income tax consequences for certain taxpayers, including financial corporations, insurance companies, Subchapter S corporations, certain foreign corporations, individual recipients of social security or railroad retirement benefits, individuals benefiting from the earned income credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their tax advisors as to any possible collateral consequences of their ownership of, accrual or receipt of interest on, or disposition of the Series 2012 Bonds. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

Interest paid on tax-exempt obligations is subject to information reporting to the Internal Revenue Service (the "IRS") in a manner similar to interest paid on taxable obligations. Interest on the Series 2012 Bonds may be subject to backup withholding if such interest is paid to a registered owner who or which (i) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (ii) has been identified by the IRS as being subject to backup withholding. Amounts withheld under the backup withholding rules will be paid to the IRS as federal income tax withheld on behalf of the registered owner of the Series 2012 Bonds and will be allowed as a refund or credit against such owner's federal income tax liability (or the federal income tax liability of the beneficial owner of the Series 2012 Bonds, if other than the registered owner).

In the opinion of Bond Counsel, interest on the Series 2012 Bonds is exempt under existing laws from personal income taxes imposed by the State of New York and its political subdivisions (including The City of New York). See "Appendix F – Form of Approving Opinion of Bond Counsel."

Tax legislation, administrative actions taken by tax authorities or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Series 2012 Bonds under federal or state law or otherwise prevent Holders from realizing the full current benefit of the tax-exempt status of interest on the Series 2012 Bonds. 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 Series 2012 Bonds. Prospective purchasers of the Series 2012 Bonds should consult their own tax advisors regarding pending or proposed tax legislation, administrative actions taken by tax authorities or court decisions, and regarding the impact of future legislation, administrative actions or court decisions.

Bond Counsel's engagement with respect to the Series 2012 Bonds ends with the issuance of the Series 2012 Bonds and, unless separately engaged, Bond Counsel is not obligated to defend the Authority or the Bondholders regarding the tax-exempt status of the Series 2012 Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Authority and its appointed counsel, including the Bondholders, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Authority legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2012 Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Series 2012 Bonds, and may cause the Authority, the School Districts or the Bondholders to incur significant expense.

PART 11 – STATE NOT LIABLE ON THE SERIES 2012 BONDS

The Act provides that notes and bonds of the Authority shall not be a debt of the State nor shall the State be liable thereon, nor shall such notes or bonds be payable out of any funds other than those of the Authority. The Master Resolution specifically provides that the Series 2012 Bonds shall not be a debt of the State nor shall the State be liable thereon.

PART 12 – COVENANT BY THE STATE

The Act states that the State pledges and agrees with the holders of the Authority's notes and bonds that the State will not limit or alter the rights vested in the Authority to provide projects, to establish and collect rentals therefrom and to fulfill agreements with the holders of the Authority's notes and bonds or in any way impair the rights and remedies of the holders of such notes or bonds until such notes or bonds and interest thereon and all costs and expenses in connection with any action or proceeding by or on behalf of the holders of such notes or bonds are fully met and discharged. Notwithstanding the State's pledges and agreements contained in the Act, the State may, in the exercise of its sovereign power, enact or amend its laws which, if determined to be both reasonable and necessary to serve an important public purpose, could have the effect of impairing these pledges and agreements with the Authority and with the holders of the Authority's notes or bonds.

PART 13 – LEGAL MATTERS

Certain legal matters incidental to the authorization and issuance of the Series 2012 Bonds by the Authority are subject to the approval of Hiscock & Barclay, LLP, Albany, New York, Bond Counsel to the Authority, whose approving opinion will be delivered with the Series 2012 Bonds. The proposed form of Bond Counsel's opinion is set forth in Appendix F.

Certain legal matters will be passed upon for the Underwriters by their counsel, Bond, Schoeneck & King, PLLC, Syracuse, New York, and for each School District by its respective bond counsel as listed in Appendix B hereto.

Bond Counsel to the Authority and Underwriters' Counsel also serve as bond counsel to certain school districts as listed in Appendix B – List of School Districts and Principal Amount of Each School District's Loan.

There is no pending litigation restraining or enjoining the issuance or delivery of the Series 2012 Bonds or questioning or affecting the validity of the Series 2012 Bonds or the proceedings and authority under which they are to be issued. There is no litigation pending which in any manner questions the right of the Authority to finance or refinance the Cost of the Projects in accordance with the provisions of the Act, the Master Resolution and the Agreements.

PART 14 – UNDERWRITING

The Underwriters have agreed, subject to certain conditions, to purchase the Series 2012A Bonds from the Authority at an aggregate purchase price of $139,377,559.34 (which represents the par amount of the Series 2012A Bonds, less the Underwriter's discount of $737,988.06, plus net original issue premium of $15,995,547.40) and to make a public offering of the Series 2012A Bonds at prices that are not in excess of the public offering prices stated on the inside cover page of this Official Statement. The Underwriters have agreed, subject to certain conditions, to purchase the Series 2012B Bonds from the Authority at an aggregate purchase price of $24,751,323.73 (which represents the par amount of the Series 2012B Bonds, less the Underwriter's discount of $130,625.02, plus net original issue premium of $2,816,948.75) and to make a public offering of the Series 2012B Bonds at prices that are not in excess of the public offering prices stated on the inside cover page of this Official Statement. The Underwriters have agreed, subject to certain conditions, to purchase the Series 2012C Bonds from the Authority at an aggregate purchase price of $30,463,976.50 (which represents the par amount of the Series 2012C Bonds, less the Underwriter's discount of $162,395.90, plus net original issue premium of $3,096,372.40) and to make a public offering of the Series 2012C Bonds at prices that are not in excess of the public offering prices stated on the inside cover page of this Official Statement. The Underwriters have agreed, subject to certain conditions, to purchase the Series 2012D Bonds from the Authority at an aggregate purchase price of $40,696,659.84 (which represents the par amount of the Series 2012D Bonds, less the Underwriter's discount of $235,705.91, plus net original issue premium of $1,092,365.75) and to make a public offering of the Series 2012D Bonds at prices that are not in excess of the public offering prices stated on the inside cover page of this Official Statement. The Underwriters have agreed, subject to certain conditions, to purchase the Series 2012E Bonds from the Authority at an aggregate purchase price of $11,171,272.89 (which represents the par amount of the Series 2012E Bonds, less the Underwriter's discount of $70,271.36, less net original issue discount of $78,455.75) and to make a public offering of the Series 2012E Bonds at prices that are not in excess of the public offering prices stated on the inside cover page of this Official Statement.

The Series 2012 Bonds may be offered and sold to certain dealers (including the Underwriters) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters.

On April 2, 2012, Raymond James Financial, Inc. ("RJF"), the parent company of Raymond James & Associates, Inc. ("Raymond James"), acquired all of the stock of Morgan Keegan & Company, Inc. ("Morgan Keegan") from Regions Financial Corporation. Morgan Keegan and Raymond James are each registered broker-dealers. Both Morgan Keegan and Raymond James are wholly owned subsidiaries of RJF and, as such, are affiliated broker-dealer companies under the common control of RJF, utilizing the trade name "Raymond James I Morgan Keegan" that appears on the cover of this Official Statement. It is anticipated that the businesses of Raymond James and Morgan Keegan will be combined.

Morgan Keegan has entered into a distribution arrangement with Raymond James for the distribution of the Series 2012 Bonds at the original issue prices. Such arrangement generally provides that Morgan Keegan will share a portion of its underwriting compensation or selling concession with Raymond James.

PART 15 – CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission ("Rule 15c2-12"), each School District has undertaken in a written agreement (a "Continuing Disclosure Agreement") for the benefit of the Bondholders of the applicable Series of the Series 2012 Bonds to provide on an annual basis to the Authority and the MSRB through its EMMA system, on or before 180 days after the end of each fiscal year of such School District, commencing with the fiscal year ending June 30, 2012, operating data and financial information of the type hereinafter described which is included in Appendix C to this Official Statement (the "Annual Information"), together with such School District's annual financial statements prepared in accordance with generally accepted accounting principles and audited by an independent firm of certified public accountants in accordance with generally accepted accounting standards.

The Annual Information for each School District will consist of the following: (a) operating data and financial information of the type included in Appendix C to this Official Statement (only to the extent that this information is not included in the audited financial statements of such School District), together with (b) a narrative explanation, if necessary to avoid misunderstanding, regarding the presentation of financial and operating data concerning such School District and in judging the financial and operating condition of such School District.

In addition, the Authority has undertaken, for the benefit of the holders of the Series 2012 Bonds, to provide to the MSRB by and through its EMMA system, in a timely manner not later than ten business days after the occurrence of a listed event, the notices required to be provided by Rule 15c2-12 and described below (the "Notices").

The Notices include notice of any of the following events with respect to the Series 2012 Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, IRS notices or other material events affecting the tax status of the Series 2012 Bonds; (7) modifications to the rights of holders of the Series 2012 Bonds, if material; (8) bond calls, if material; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Series 2012 Bonds, if material; (11) rating changes; (12) tender offers; (13) bankruptcy, insolvency, receivership or similar event of a School District; (14) merger, consolidation or acquisition of or involving a School District, if material; and (15) appointment of a successor or additional trustee, or the change in name of a trustee, if material. Each School

District has undertaken to provide to the Authority, in a timely manner, notices similar to the ones described above with respect to its School District Bonds.

The sole and exclusive remedy for breach or default under a Continuing Disclosure Agreement is an action to compel specific performance of the undertakings of the defaulting School District and/or the Authority, and no person, including any Holder and any Beneficial Owner of the Series 2012 Bonds, may recover monetary damages thereunder under any circumstances. The Authority or such defaulting School District may be compelled to comply with their respective obligations under a Continuing Disclosure Agreement (i) in the case of enforcement of their obligations to provide information required thereunder, by any Holder and any Beneficial Owner of Outstanding Series 2012 Bonds or by the Trustee on behalf of the Holders of Outstanding Series 2012 Bonds or (ii) in the case of challenges to the adequacy of the information provided, by the Trustee on behalf of the Holders of Outstanding Series 2012 Bonds. However, the Trustee is not required to take any enforcement action unless so directed by the Holders of not less than 25% in aggregate principal amount of Outstanding Series 2012 Bonds. A breach or default under a Continuing Disclosure Agreement will not constitute an Event of Default under the Master Resolution. In addition, if all or any part of Rule 15c2-12 ceases to be in effect for any reason, then the information required to be provided under a Continuing Disclosure Agreement, insofar as the provision of Rule 15c2-12 no longer in effect required the providing of such information, will no longer be required to be provided.

The foregoing undertakings are intended to set forth a general description of the type of financial information and operating data that will be provided; the descriptions are not intended to state more than general categories of financial information and operating data; and where an undertaking calls for information that no longer can be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect will be provided. Any Continuing Disclosure Agreement, however, may under certain circumstances be amended or modified without the consent of Holders of the Series 2012 Bonds. Copies of all of the Continuing Disclosure Agreements when executed by the parties thereto upon the delivery of the Series 2012 Bonds will be on file at the principal office of the Authority.

Each of the School Districts has certified to the Authority that it has in the previous five years complied, in all material respects, with any previous undertakings pursuant to Rule 15c2-12.

PART 16 – RATINGS

Moody's Investors Service Inc. ("Moody's"), Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("Standard & Poor's"), and Fitch Ratings ("Fitch") have assigned the following ratings to each of the respective Series of the Series 2012 Bonds:

	Moody's	**Standard & Poor's**	**Fitch**
Series 2012A Bonds	NAF	"A+"	"A+"
Series 2012B Bonds	"Aa2"	"A+"	"A+"
Series 2012C Bonds	"Aa3"	"A+"	"A+"
Series 2012D Bonds	NAF	"A+"	"A+"
Series 2012E Bonds	NAF	"A+"	"A+"

Standard & Poor's has assigned a rating of "AA-" to the Insured Bonds, based on the understanding that the municipal bond insurance policy of AGM insuring the scheduled repayment of principal and interest due with respect to the Insured Bonds will be issued by AGM upon the issuance of the Insured Bonds.

Fitch's rating outlook for each of the respective Series of the Series 2012 Bonds is positive. The ratings described above reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agencies at the following addresses: Moody's, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007; Standard & Poor's, 55 Water Street, New York, New York 10041; and Fitch, One State Street Plaza, New York, New York 10004. There is no assurance that such ratings will prevail for any given period of time or that they will not be revised downward or withdrawn entirely by any or all of such rating agencies if, in the judgment of any or all of them, circumstances so warrant. Any such downward revision or withdrawal of such rating or ratings may have an adverse effect on the market price of the Series 2012 Bonds.

PART 17 – SOURCES OF INFORMATION AND CERTIFICATIONS

Certain information concerning each School District and DTC included in this Official Statement has been furnished or reviewed and authorized for use by the Authority by such sources as described below. While the Authority believes that these sources are reliable, the Authority has not independently verified this information and does not guarantee the accuracy or completeness of the information furnished by the respective sources. The Authority is relying on certificates from each source, to be delivered at or prior to the time of delivery of the Series 2012 Bonds, as to the accuracy of such information provided or authorized by it.

School Districts. The information in "PART 4 – THE SCHOOL DISTRICTS," "PART 6 – THE PLAN OF FINANCE" and "Appendix C – Certain Financial and Economic Information on the School Districts" was supplied by each of the School Districts. The Authority believes that this information is reliable, but the Authority makes no representations or warranties whatsoever to the accuracy or completeness of this information.

DTC. The information regarding DTC and DTC's book-entry only system has been furnished by DTC. The Authority believes that this information is reliable, but makes no representations or warranties whatsoever to the accuracy or completeness of this information.

Bond Counsel. "Appendix A – Definitions," "Appendix D – Summary of Certain Provisions of the Financing Agreements," "Appendix E – Summary of Certain Provisions of the Master Resolution" and "Appendix F – Form of Approving Opinion of Bond Counsel" have been prepared by Hiscock & Barclay, LLP, Albany, New York, Bond Counsel.

The Authority. The Authority provided the balance of the information in or appended to this Official Statement, except as otherwise specifically noted herein.

The Authority will certify that, both as of the date of this Official Statement and on the date of delivery of the Series 2012 Bonds, the information contained in this Official Statement is and will be fairly presented in all material respects, and that this Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading (it being understood that the Authority has relied upon and has not undertaken independently to verify the information contained in this Official Statement relating to the School Districts or DTC, but which information the Authority has no reason to believe is untrue or incomplete in any material respect).

The references herein to the Act, other laws of the State, the Master Resolution, the Agreements and the School District Bonds are brief outlines of certain provisions thereof. Such outlines do not purport to be complete and reference should be made to each for a full and complete statement of its provisions. The agreements of the Authority with the registered owners of the Series 2012 Bonds are fully set forth in the Master Resolution (including any Supplemental and Series Resolutions thereto), and neither any advertisement of the Series 2012 Bonds nor this Official Statement is to be construed as a contract with the purchasers of the Series 2012 Bonds. So far as any statements are made in this Official Statement involving matters of opinion or an estimate, whether or not expressly so stated, they are intended merely as such and not as representations of fact. Copies of the documents mentioned in this paragraph are on file at the offices of the Authority and the Trustee.

The execution and delivery of this Official Statement by an Authorized Officer have been duly authorized by the Authority.

DORMITORY AUTHORITY OF
THE STATE OF NEW YORK

By: /s/ Paul T. Williams, Jr.
Authorized Officer

DEFINITIONS

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DEFINITIONS

The following are definitions of certain of the terms defined herein, or in the Master Resolution or the Agreement and used in this Official Statement.

Accreted Value means with respect to any Capital Appreciation Bond (i) as of any Valuation Date, the amount set forth for such date in the Series Resolution authorizing such Capital Appreciation Bond or the Bond Series Certificate relating to such Bond and (ii) as of any date other than a Valuation Date, the sum of (a) the Accreted Value on the preceding Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date, calculated based on the assumption that Accreted Value accrues during any semi-annual period in equal daily amounts on the basis of a year of twelve (12) thirty-day months, and (2) the difference between the Accreted Values for such Valuation Dates.

Act means the Dormitory Authority Act, being and constituting Title 4 of Article 8 of the Public Authorities Law of the State of New York.

Allocable Portion means each School District's proportionate share of certain obligations arising under the Applicable Series of Bonds from time to time and the respective Agreements, particularly with respect to the Applicable Arbitrage Rebate Fund, the Costs of Issuance of such Series of Bonds, and the payment of principal, interest and redemption price of such Series of Bonds as particularly determined by the Applicable Series Resolution.

Applicable means (i) with respect to any Series Resolution, the Series Resolution relating to particular Bonds, (ii) with respect to any Series of Bonds, the Series of Bonds issued under a Series Resolution for a particular School District or School Districts, (iii) with respect to any Agreement, the Agreement entered into by and between a School District and the Authority, (iv) with respect to a School District, the School District for which a Series of Bonds is issued, (v) with respect to any Construction Fund, Debt Service Fund, Arbitrage Rebate Fund or Costs of Issuance Account in a Construction Fund, the Fund or Account established in a particular Series Resolution and with respect to a particular Construction Account in a Construction Fund, means the Construction Account established and undertaken with respect to each Applicable School District, (vi) with respect to a Trustee or Paying Agent, the Trustee or Paying Agent accepting the responsibility to perform the obligations set forth therefor with respect to a particular Series of Bonds, (vii) with respect to a Credit Facility or Liquidity Facility, the Credit Facility or Liquidity Facility, (if any), identified in the Applicable Series Resolution, (viii) with respect to a Bond Series Certificate, such certificate authorized pursuant to an Applicable Series Resolution, (ix) with respect to Revenues and Pledged Revenues, the amounts payable to the Authority on account of a School District and (x) with respect to School District Bonds, the School District Bonds issued and delivered to the Authority by a School District as required by the Agreement.

Appreciated Value means with respect to any Deferred Income Bond (i) as of any Valuation Date, the amount set forth for such date in the Applicable Series Resolution authorizing such Deferred Income Bond or in the Bond Series Certificate relating to such Bond and (ii) as of any date other than a Valuation Date, the sum of (a) the Appreciated Value on the preceding Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date, calculated based on the assumption that Appreciated Value accrues during any semiannual period in equal daily amounts on the basis of a year of twelve (12) thirty-day months, and (2) the difference between the Appreciated Values for such Valuation Dates, and (iii) as of any date of computation on and after the Interest Commencement Date, the Appreciated Value on the Interest Commencement Date.

Arbitrage and Use of Proceeds Certificate means the certificate of the School District to be delivered pursuant to the Financing Agreement and to be dated the date of delivery of the Authority Bonds.

Arbitrage Rebate Fund means each such fund so designated, created and established by the Applicable Series Resolution.

Authority means the Dormitory Authority of the State of New York a body corporate and politic constituting a public benefit corporation of the State created by the Act, or any body, agency or instrumentality of the State which may succeed to the rights, powers, duties and functions of the Authority.

Authority Bonds means the series of bonds of the Authority issued in whole or in part to finance the Loans made under the Agreements, together with any bonds of the Authority issued to refinance such bonds.

Authorized Officer means (i) in the case of the Authority, the Chairman, the Vice-Chairman, the Treasurer, an Assistant Treasurer, the Secretary, an Assistant Secretary, the Executive Director, the Deputy Executive Director, the Chief Financial Officer, the General Counsel, the Chief Information Officer, and a Managing Director, and when used with reference to any act or document also means any other person authorized by a resolution or the by-laws of the Authority to perform such act or execute such document; (ii) in the case of a School District, when used with reference to any act or document, means the person identified in the Agreement or in the Applicable Agreement as authorized to perform such act or execute such document, and in all other cases means the President of the Board of Education or an officer or employee of a School District authorized in a written instrument signed by the President of the Board of Education; and (iii) in the case of the Trustee, the President, a Vice President, a Corporate Trust Officer, an Assistant Corporate Trust Officer, a Trust Officer or an Assistant Trust Officer of the Trustee, and when used with reference to any act or document also means any other person authorized to perform any act or sign any document by or pursuant to a resolution of the Board of Directors of the Trustee or the by-laws of the Trustee.

Authorized Newspaper means The Bond Buyer or any other newspaper of general circulation printed in the English language and customarily published at least once a day for at least five days (other than legal holidays) in each calendar week in the Borough of Manhattan, City and State of New York, designated by the Authority.

Bank means U.S. Bank National Association, in its capacity as depository for each School District pursuant to the Applicable Financing Agreement, and any successor depository in such capacity.

Basic Debt Service Payment means all amounts payable pursuant to the Applicable Agreement, including in particular the Applicable School District Bonds.

Bond or Bonds means any of the bonds of the Authority, including the Bonds authorized and issued pursuant to the Master Resolution and to an Applicable Series Resolution.

Bond Counsel means an attorney or a law firm, appointed by the Authority with respect to a particular Series of Bonds, having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal bonds.

Bond Series Certificate means the certificate of an Authorized Officer of the Authority fixing terms, conditions and other details of Bonds of an Applicable Series in accordance with the delegation of power to do so under the Master Resolution or under the Applicable Series Resolution authorizing the issuance of such Bonds.

Bond Year means a period of twelve (12) consecutive months beginning October 1 in any calendar year and ending on September 30 of the succeeding calendar year.

Bondholder, Holder of Bonds or *Holder* or any similar term, when used with reference to a Bond or Bonds, means the registered owner of any Bond.

Book Entry Bond means a Bond authorized to be issued to, and issued to and registered in the name of, a Depository directly or indirectly for the beneficial owners thereof.

Business Day means any day which is not a Saturday, Sunday or a day on which banking institutions chartered by the State or the United States of America are legally authorized to close in The City of New York; provided, however, that, with respect to Option Bonds or Variable Interest Rate Bonds of a Series, such term means any day which is not a Saturday, Sunday or a day on which the New York Stock Exchange, banking institutions chartered by the State or the United States of America, the Trustee or the issuer of a Credit Facility or Liquidity Facility for such Bonds are legally authorized to close in The City of New York.

Capital Appreciation Bond means any Bond as to which interest is compounded on each Valuation Date therefor and is payable only at the maturity or prior redemption thereof.

Code means the Internal Revenue Code of 1986 and the applicable Treasury regulations promulgated thereunder.

Construction Account means each such account in a Construction Fund so designated, created and established for each Applicable School District by the Applicable Series Resolution pursuant to the Master Resolution.

Construction Fund means each such fund so designated, created and established by the Applicable Series Resolution pursuant to the Master Resolution.

Continuing Disclosure Agreement means the Continuing Disclosure Agreement, dated as of the date of issuance of the Authority Bonds, among the Authority, the Trustee and the Applicable School District.

Cost or *Costs of Issuance* means the items of expense incurred in connection with the authorization, sale and issuance of an Applicable Series of Bonds, which items of expense will include, but not be limited to, document printing and reproduction costs, filing and recording fees, costs of credit ratings, initial fees and charges of the Trustee or a Depository, legal fees and charges, professional consultants' fees, fees and charges for execution, transportation and safekeeping of such Bonds, premiums, fees and charges for insurance on Bonds, commitment fees or similar charges of a Remarketing Agent or relating to a Credit Facility or a Liquidity Facility, costs and expenses of refunding such Bonds and other costs, charges and fees, including those of the Authority, in connection with the foregoing.

Cost or *Costs of the Project* means with respect to an Applicable Project costs and expenses or the refinancing of costs and expenses determined by the Authority to be necessary in connection with such Project, including, but not limited to, (i) costs and expenses of the acquisition of the title to or other interest in real property, including easements, rights-of-way and licenses, (ii) costs and expenses incurred for labor and materials and payments to contractors, builders and materialmen, for the acquisition, construction, reconstruction, rehabilitation, repair and improvement of such Project, (iii) the cost of surety bonds and insurance of all kinds, including premiums and other charges in connection with obtaining title insurance, that may be required or necessary prior to completion of such Project, which is not paid by a contractor or otherwise provided for, (iv) the costs and expenses for design, test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising such Project, (v) costs and expenses required for the acquisition and installation of furnishings, equipment, machinery and apparatus, (vi) all other costs which the Applicable School District or the Authority will be required to pay or cause to be paid for the acquisition, construction, reconstruction, rehabilitation, repair, improvement and equipping of such Project, (vii) any sums required to reimburse the Applicable School District or the Authority for advances made by them for any of the above items or for other costs incurred and for work done by them in connection with such Project (including interest on borrowed money), (viii) interest on the Bonds prior to, during and for a reasonable period after completion of the acquisition, construction, reconstruction, rehabilitation, repair, improvement or equipping of such Project, and (ix) fees, expenses and liabilities of the Authority incurred in connection with such Project or pursuant hereto or to the Applicable Agreement, a Credit Facility, a Liquidity Facility or a Remarketing Agreement.

Credit Facility means an irrevocable letter of credit, surety bond, loan agreement, Standby Purchase Agreement, municipal bond insurance policy or other agreement, facility or insurance or guaranty arrangement issued or extended by a bank, a trust company, a national banking association, an organization subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings bank, a savings and loan association, an insurance company or association chartered or organized under the laws of any state of the United States of America, the Government National Mortgage Association or any successor thereto, the Federal National Mortgage Association or any successor thereto, or any other federal agency or instrumentality approved by the Authority, pursuant to which the Authority is entitled to obtain moneys to pay the principal, purchase price or Redemption Price of Bonds due in accordance with their terms or tendered for purchase or redemption, plus accrued interest thereon to the date of payment, purchase or redemption thereof, in accordance with the Master Resolution and with the Series Resolution authorizing such Bonds or a Bond Series Certificate, whether or not the Authority is in default under the Master Resolution.

Debt Service Fund means the fund so designated, created and established by the Applicable Series Resolution.

Defeasance Security means (a) a Government Obligation of the type described in clauses (i), (ii), (iii) or (iv) of the definition of Government Obligations, (b) Federal Agency Obligations described in clauses (i) or (ii) of the definition of Federal Agency Obligations and (c) an Exempt Obligation, provided such Exempt Obligation (i) is not subject to redemption prior to maturity other than at the option of the holder thereof or as to which irrevocable instructions have been given to the trustee of such Exempt Obligation by the obligor thereof to give due notice of redemption and to call such Exempt Obligation for redemption on the date or dates specified in such instructions and such Exempt Obligation is not otherwise subject to redemption prior to such specified date other than at the option of the holder thereof, (ii) is secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or Government Obligations, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such Exempt Obligation on the maturity date thereof or the redemption date specified in the irrevocable instructions referred to in clause (i) above, (iii) as to which the principal of and interest on the direct obligations of the United States of America which have been deposited in such fund, along with any cash on deposit in such fund, are sufficient to pay the principal of and interest and redemption premium, if any, on such Exempt Obligation on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (i) above, and (iv) is rated by at least two nationally recognized Rating Agencies in the highest rating category for such Exempt Obligation; provided, however, that (1) such term will not include any interest in a unit investment trust or mutual fund or (2) any obligation that is subject to redemption prior to maturity other than at the option of the holder thereof.

Deferred Income Bond means any Bond as to which interest accruing thereon prior to the Interest Commencement Date of such Bond is compounded on each Valuation Date for such Deferred Income Bond, and as to which interest accruing after the Interest Commencement Date is payable semiannually on each Interest Payment Date.

Depository means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State, or its nominee, or any other person, firm, association or corporation designated in the Series Resolution authorizing a Series of Bonds or a Bond Series Certificate relating to a Series of Bonds to serve as securities depository for the Bonds of such Series.

Exempt Obligation means (i) an obligation of any state or territory of the United States of America, any political subdivision of any state or territory of the United States of America, or any agency, authority, public benefit corporation or instrumentality of such state, territory or political subdivision, the interest on which is excludable from gross income under Section 103 of the Code, which is not a "specified private activity bond" within the meaning of Section 57(a)(5) of the Code, and which, at the time an investment therein is made or such obligation is deposited in any fund or account under the Master Resolution, is rated, without regard to qualification of such rating by symbols such as "+" or "–" and numerical notation, no lower than the second highest rating category for such obligation by at least two nationally recognized Rating Agencies, (ii) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on any of the foregoing and (iii) a share or interest in a mutual fund, partnership or other fund wholly comprised of any of the foregoing obligations.

Existing Indebtedness means the bonds or notes, if any, of the Applicable School District described in Exhibit B of the Applicable Financing Agreement, which bonds or notes have financed all or a portion of the Project.

Facility Provider means the issuer of a Credit Facility or a Liquidity Facility delivered to the Applicable Trustee pursuant to the Master Resolution.

Federal Agency Obligation means (i) an obligation issued by any federal agency or instrumentality approved by the Authority, (ii) an obligation the principal of and interest on which are fully insured or guaranteed as to payment by a federal agency approved by the Authority, (iii) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on any of the foregoing and (iv) a share or interest in a mutual fund, partnership or other fund wholly comprised of any of the foregoing obligations.

Financing Agreement or *Agreement* means the Financing Agreement relating to the Bonds, dated as of April 1, 2012, by and between the Authority and the Applicable School District.

Fitch means Fitch, Inc., a corporation organized and created under the laws of the State of Delaware and its successors and assigns.

Government Obligation means (i) a direct obligation of the United States of America, (ii) an obligation the principal of and interest on which are fully insured or guaranteed or as to payment of principal and interest by the United States of America, (iii) an obligation to which the full faith and credit of the United States of America are pledged, (iv) a certificate or other instrument which evidences the beneficial ownership of, or the right to receive all or a portion of the payment of the principal of or interest on any of the foregoing and (v) a share or interest in a mutual fund, partnership or other fund wholly comprised of any of the foregoing obligations.

Interest Commencement Date means, with respect to any particular Deferred Income Bond, the date prior to the maturity date thereof specified in the Applicable Series Resolution authorizing such Bond or in the Bond Series Certificate relating to such Bond, after which interest accruing on such Bond will be payable on the Interest Payment Date immediately succeeding such Interest Commencement Date and semi-annually thereafter on each Interest Payment Date.

Interest Payment Date means, unless otherwise provided in the Applicable Series Resolution, April 1 and October 1 of each Bond Year.

Investment Agreement means a repurchase agreement or other agreement for the investment of moneys with a Qualified Financial Institution.

Liquidity Facility means an irrevocable letter of credit, surety bond, loan agreement, Standby Purchase Agreement, line of credit or other agreement or arrangement issued or extended by a bank, a trust company, a national banking association, an organization subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a savings bank, a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings and loan association, an insurance company or association chartered or organized under the laws of any state of the United States of America, the Government National Mortgage Association or any successor thereto, the Federal National Mortgage Association or any successor thereto, or any other federal agency or instrumentality approved by the Authority, pursuant to which moneys are to be obtained upon the terms and conditions contained therein for the purchase or redemption of Option Bonds tendered for purchase or redemption in accordance with the terms hereof and of the Applicable Series Resolution authorizing such Bonds or the Applicable Bond Series Certificate relating to such Bonds.

Maximum Rate means the interest rate per annum identified as such in the Schedule of Additional Provisions attached as Exhibit C to the Financing Agreements.

Memorandum of Understanding means the Memorandum of Understanding, among the Authority, the New York State Department of Education and the Comptroller of the State of New York.

Moody's means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, or its successors and assigns.

Notice of Terms means a notice setting forth and confirming the definitive principal amounts, maturity dates and interest rates of the School District Bonds and certain other terms of the Loans which, to the extent such terms are inconsistent with the parameters set forth in the Applicable Financing Agreement, will be subject to the approval of the Applicable School District.

Option Bond means any Bond which by its terms may be tendered by and at the option of the Holder thereof for redemption by the Authority prior to the stated maturity thereof or for purchase thereof, or the maturity of which may be extended by and at the option of the Holder thereof in accordance with the Series Resolution authorizing such Bonds or the Bond Series Certificate related to such Bonds.

Outstanding, when used in reference to Bonds, means, as of a particular date, all Bonds authenticated and delivered under the Master Resolution and under any Applicable Series Resolution except: (i) any Bond cancelled by the Applicable Trustee at or before such date; (ii) any Bond deemed to have been paid in accordance with the Master Resolution; (iii) any Bond in lieu of or in substitution for which another Bond has been authenticated and delivered pursuant to the Master Resolution; and (iv) Option Bonds tendered or deemed tendered in accordance with the provisions of the Series Resolution authorizing such Bonds or the Bond Series Certificate related to such Bonds on the applicable adjustment or conversion date, if interest thereon has been paid through such applicable date and the purchase price thereof has been paid or amounts are available for such payment as provided in the Agreement and in the Series Resolution authorizing such Bonds.

Paying Agent means, with respect to the Bonds of any Series, the Trustee and any other bank or trust company and its successor or successors, appointed pursuant to the provisions of the Master Resolution or of a Series Resolution, a Bond Series Certificate or any other resolution of the Authority adopted prior to authentication and delivery of the Series of Bonds for which such Paying Agent or Paying Agents are so appointed.

Permitted Collateral means (i) Government Obligations described in clauses (i), (ii) or (iii) of the definition of Government Obligations, (ii) Federal Agency Obligations described in clauses (i) or (ii) of the definition of Federal Agency Obligations, (iii) commercial paper that (a) matures within two hundred seventy (270) days after its date of issuance, (b) is rated in the highest short term rating category by at least one nationally recognized Rating Agency and (c) is issued by a domestic corporation whose unsecured senior debt is rated by at least one nationally recognized Rating Agency no lower than in the second highest rating category or (iv) financial guaranty agreements, surety or other similar bonds or other instruments of an insurance company that has an equity capital of at least $125,000,000 and is rated by Bests Insurance Guide or a nationally recognized Rating Agency in the highest rating category.

Permitted Investments means any of the following: (i) Government Obligations; (ii) Federal Agency Obligations; (iii) Exempt Obligations; (iv) Uncollateralized certificates of deposit that are fully insured by the Federal Deposit Insurance Corporation and issued by a banking organization authorized to do business in the State; (v) Collateralized certificates of deposit that are (a) issued by a banking organization authorized to do business in the State that has an equity capital of not less than $125,000,000, whose unsecured senior debt, or debt obligations fully secured by a letter or credit, contract, agreement or surety bond issued by it, are rated by at least one nationally recognized Rating Agency in at least the second highest rating category, and (b) are fully collateralized by Permitted Collateral; and (vi) Investment Agreements that are fully collateralized by Permitted Collateral.

Pledged Revenues means the public funds that are pledged and assigned by the Applicable School District to the Authority pursuant to the Applicable Agreement to secure such School District's obligations under such Agreement.

Principal Amount means the original aggregate principal amount of the Loan and of the Applicable School District Bonds.

Projects means "school district capital facilities" and/or "school district capital equipment" as defined in the Act and described in Exhibit A to each Financing Agreement.

Proportionate Share means the proportion that the outstanding principal amount of the Applicable School District Bonds bears to the outstanding principal amount of the Authority Bonds.

Qualified Financial Institution means any of the following entities that has an equity capital of at least $125,000,000 or whose obligations are unconditionally guaranteed by an affiliate or parent having an equity capital of at least $125,000,000: (i) a securities dealer, the liquidation of which is subject to the Securities Investors Protection Corporation or other similar corporation, and (a) that is on the Federal Reserve Bank of New York list of primary government securities dealers and (b) whose senior unsecured long term debt is at the time an investment with it is made is rated by at least one nationally recognized Rating Agency no lower than in the second highest rating category, or, in the absence of a rating on long term debt, whose short term debt is rated by at least one nationally recognized Rating Agency no lower than in the highest rating category for such short term debt; provided, however, that no short term rating may be utilized to determine whether an entity qualifies under this paragraph as a Qualified Financial Institution if the same would be inconsistent with the rating criteria of any Rating Agency or credit criteria of an entity that provides a Credit Facility or financial guaranty agreement in connection with Outstanding Bonds; (ii) a bank, a trust company, a national banking association, a corporation subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings bank, a savings and loan association, an insurance company or association chartered or organized under the laws of the United States of America, any state of the United States of America or any foreign nation, whose senior unsecured long term debt is at the time an investment with it is made is rated by at least one nationally recognized Rating Agency no lower than in the second highest rating category, or, in the absence of a rating on long term debt, whose short term debt is rated by at least one nationally recognized Rating Agency no lower than in the highest rating category for such short term debt; provided, however, that no short term rating may be utilized to determine whether an entity qualifies under this paragraph as a Qualified Financial Institution if the same would be inconsistent with the rating criteria of any Rating Agency or credit criteria of an entity that provides a Credit Facility or financial guaranty agreement in connection with Outstanding Bonds; (iii) a corporation affiliated with or which is a subsidiary of any entity described in (i) or (ii) above or which is affiliated with or a subsidiary of a corporation which controls or wholly owns any such entity, whose senior unsecured long term debt is at the time an investment with it is made is rated by at least one nationally recognized Rating Agency no lower than in the second highest rating category, or, in the absence of a rating on long term debt, whose short term debt is rated by at least one nationally recognized Rating Agency no lower than in the highest rating category for such short term debt; provided, however, that no short term rating may be utilized to determine whether an entity qualifies under this paragraph as a Qualified Financial Institution if the same would be inconsistent with the rating criteria of any Rating Agency or credit criteria of an entity that provides a Credit Facility or financial guaranty agreement in connection with Outstanding Bonds; (iv) the Government National Mortgage Association or any successor thereto, the Federal National Mortgage Association or any successor thereto, or any other federal agency or instrumentality approved by the Authority or (v) a corporation whose obligations, including any investment of any moneys held under the Master Resolution purchased from such corporation, are insured by an insurer that meet the applicable rating requirements set forth above.

Rating Agency means each of Fitch, Moody's and S&P, in each case, which has assigned a rating to Outstanding Bonds at the request of the Authority, or their respective successors and assigns.

Redemption Price, when used with respect to a Bond, means the principal amount of such Bond plus the applicable premium, if any, payable upon redemption prior to maturity thereof pursuant to the Master Resolution or to the Applicable Series Resolution or Bond Series Certificate.

Refunded Obligations means all or a portion of the Existing Indebtedness which is to be refunded with the proceeds of the Authority Bonds.

Revenues means (i) the Basic Debt Service Payment paid by the Applicable School District pursuant to the Applicable Agreement, which includes amounts payable by such School District under the Applicable School District Bonds, (ii) the Applicable Pledged Revenues and (iii) the right to receive the same and the proceeds thereof and of such right.

S&P means Standard & Poor's Ratings Services, a division of The McGraw-Hill Corporation, or its successors and assigns.

School District or *School Districts* means with respect to an Applicable Series of Bonds, each or all of the School Districts for whose benefit the Authority has issued all or a portion of such Series and with whom the Authority has executed one or more Agreements.

School District Resolution means, collectively, the ordinances and resolutions of the applicable School District authorizing the execution and delivery of the Financing Agreement, the borrowing of the Loan proceeds, and the issuance and delivery to the Authority of the School District Bonds.

Series means all of the Bonds authenticated and delivered on original issuance and pursuant to the Master Resolution and to the Applicable Series Resolution authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Master Resolution, regardless of variations in maturity, interest rate, Sinking Fund Installments or other provisions.

Series Resolution means a resolution of the Authority, including the Series 2012 Resolution, authorizing the issuance of a Series of Bonds adopted by the Authority pursuant to the Master Resolution.

Series 2012A Bond Series Certificate means the Certificate of an authorized officer of the Authority, fixing terms, conditions and other details of the Series 2012A Bonds.

Series 2012B Bond Series Certificate means the Certificate of an authorized officer of the Authority, fixing terms, conditions and other details of the Series 2012B Bonds.

Series 2012C Bond Series Certificate means the Certificate of an authorized officer of the Authority, fixing terms, conditions and other details of the Series 2012C Bonds.

Series 2012D Bond Series Certificate means the Certificate of an authorized officer of the Authority, fixing terms, conditions and other details of the Series 2012D Bonds.

Series 2012E Bond Series Certificate means the Certificate of an authorized officer of the Authority, fixing terms, conditions and other details of the Series 2012E Bonds.

Series 2012A Resolution means the Series Resolution of the Authority authorizing the issuance of the Series 2012A Bonds adopted by the Authority on September 21, 2011.

Series 2012B Resolution means the Series Resolution of the Authority authorizing the issuance of the Series 2012B Bonds adopted by the Authority on September 21, 2011.

Series 2012C Resolution means the Series Resolution of the Authority authorizing the issuance of the Series 2012C Bonds adopted by the Authority on September 21, 2011.

Series 2012D Resolution means the Series Resolution of the Authority authorizing the issuance of the Series 2012D Bonds adopted by the Authority on September 21, 2011.

Series 2012E Resolution means the Series Resolution of the Authority authorizing the issuance of the Series 2012E Bonds adopted by the Authority on September 21, 2011.

Sinking Fund Installment means, as of any date of calculation, when used with respect to any Bonds of a Series, other than Option Bonds or Variable Interest Rate Bonds, so long as any such Bonds are Outstanding, the amount of money required hereby or by the Series Resolution pursuant to which such Bonds were issued or by the Bond Series Certificate relating thereto, to be paid on a single future April 1 or October 1 for the retirement of any Outstanding Bonds of said Series which mature after said future April 1 or October 1, but does not include any amount payable by the Authority by reason only of the maturity of a Bond, and said future April 1 or October 1 is deemed to be the date when a Sinking Fund Installment is payable and the date of such Sinking Fund Installment and said Outstanding Bonds are deemed to be Bonds entitled to such Sinking Fund Installment, and when used with respect to Option Bonds or Variable Interest Rate Bonds of a Series, so long as such Bonds are Outstanding, the amount of money required by the Series Resolution pursuant to which such Bonds were issued or by the Bond Series Certificate relating thereto, to be paid on a single future date for the retirement of any Outstanding Bonds of said Series which mature after said future date, but does not include any amount payable by the Authority by reason only of the maturity of a Bond, and said future date is deemed to be the date when a Sinking Fund Installment is payable and the date of such Sinking Fund Installment and said Outstanding Option Bonds or Variable Rate Interest Bonds of such Series are deemed to be Bonds entitled to such Sinking Fund Installment.

State means the State of New York.

State Approvals means the approvals (i) by the State Public Authorities Control Board of the issuance of Authority Bonds, (ii) by the Comptroller of the State of the terms of sale of School District Bonds, if required, and (iii) by the Commissioner of Education of the State of the execution of the Financing Agreements.

Supplemental Resolution means any resolution of the Authority amending or supplementing the Master Resolution, any Applicable Series Resolution or any Supplemental Resolution adopted and becoming effective in accordance with the terms and provisions of the Master Resolution.

Tax Certificate means the Tax Certificate concerning certain matters pertaining to the use of proceeds of the Bonds executed by and delivered to the Authority and the Trustee on the date of issuance of the Bonds, including any and all exhibits attached thereto.

Tax-Exempt Securities means a certificate of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program described in 31 CFR part 344 and any bond (other than a qualified private activity bond), the interest on which is excluded from federal gross income under Section 103 of the Code.

Term Bonds means the Bonds so designated in an Applicable Series Resolution or an Applicable Bond Series Certificate and payable from Sinking Fund Installments.

Trustee means the bank or trust company appointed as Trustee for the Bonds pursuant to the Applicable Series Resolution or Applicable Bond Series Certificate and having the duties, responsibilities and rights provided for in the Master Resolution with respect to such Series, and its successor or successors and any other bank or trust company which may at any time be substituted in its place pursuant to the Master Resolution.

Valuation Date means (i) with respect to any Capital Appreciation Bond, the date or dates set forth in the Series Resolution authorizing such Bond or in the Bond Series Certificate relating to such Bond on which specific Accreted Values are assigned to such Capital Appreciation Bond, and (ii) with respect to any Deferred Income Bond, the date or dates prior to the Interest Commencement Date and the Interest Commencement Date set forth in the Series Resolution authorizing such Bond or in the Bond Series Certificate relating to such Bond on which specific Appreciated Values are assigned to such Deferred Income Bond.

Variable Interest Rate means the rate or rates of interest to be borne by a Series of Bonds or any one or more maturities within a Series of Bonds which is or may be varied from time to time in accordance with the method of computing such interest rate or rates specified in the Series Resolution authorizing such Bonds or the Bond Series Certificate relating to such Bonds, which will be based on (i) a percentage or percentages or other function of an objectively determinable interest rate or rates (e.g., a prime lending rate) which may be in effect from time to time or at a particular time or times or (ii) a stated interest rate that may be changed from time to time as provided in the Series Resolution authorizing such Bonds or the Bond Series Certificate relating to such Bond; provided, however, that such variable interest rate may be subject to a Maximum Interest Rate and a Minimum Interest Rate and that there may be an initial rate specified, in each case as provided in such Series Resolution or a Bond Series Certificate; provided, further, that such Series Resolution or Bond Series Certificate will also specify either (x) the particular period or periods of time or manner of determining such period or periods of time for which each variable interest rate will remain in effect or (y) the time or times at which any change in such variable interest rate will become effective or the manner of determining such time or times.

Variable Interest Rate Bond means any Bond which bears a Variable Interest Rate; provided, however, that a Bond the interest rate on which has been fixed for the remainder of the term thereof will no longer be a Variable Interest Rate Bond.

LIST OF THE SCHOOL DISTRICTS AND PRINCIPAL AMOUNT OF EACH SCHOOL DISTRICT'S LOAN

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LIST OF THE SCHOOL DISTRICTS AND PRINCIPAL AMOUNT OF EACH SCHOOL DISTRICT'S LOAN

Listed below are the School Districts receiving loans from the proceeds of the Series 2012 Bonds, their financial advisors, their bond counsel and the principal amount being loaned to each School District, exclusive of original issue premium.

School District	Financial Advisor	Bond Counsel	Principal Amount of Series 2012A Loan	Principal Amount of Series 2012B Loan	Principal Amount of Series 2012C Loan	Principal Amount of Series 2012D Loan	Principal Amount of Series 2012E Loan
Series 2012A:							
Altmar-Parish-Williamstown Central School District	FA	Trespasz	$17,565,000				
Beaver River Central School District	FA	Trespasz	1,585,000				
City School District of the City of Binghamton	FA	Orrick	18,515,000				
Bolivar-Richburg Central School District	FA	Hawkins	4,505,000				
Catskill Central School District	FA	Hiscock	1,415,000				
Cattaraugus-Little Valley Central School District	FA	Orrick	17,560,000				
Copenhagen Central School District	FA	O'Hara	9,605,000				
Fabius-Pompey Central School District	FA	Trespasz	1,915,000				
Mexico Central School District	FA	Trespasz	13,650,000				
Onondaga Central School District	FA	Trespasz	8,555,000				
City School District of the City of Oswego	FA	Bond	5,450,000				
Rotterdam-Mohonasen Central School District	FA	Orrick	14,965,000				
Windsor Central School District	FA	Orrick	8,835,000				
Series 2012B:							
Baldwinsville Central School District	FA	Trespasz		$10,425,000			
Queensbury Union Free School District	FA	Bartlett		11,640,000			
Series 2012C:							
Burnt Hills-Ballston Lake Central School District	FA	Cahill			$11,140,000		
Valley Central School District at Montgomery	FA	Bond			4,820,000		
City School District of the City of Watertown	FA	Trespasz			11,570,000		
Series 2012D:							
City School District of the City of Utica	FA	Bond				$39,840,000	
Series 2012E:							
Downsville Central School District	FA	Squire					$11,320,000

Abbreviations for Financial Advisor and Bond Counsel

Bartlett	Bartlett, Pontiff, Stewart & Rhodes, P.C.
Bond	Bond, Schoeneck & King, PLLC
Cahill	Cahill Gambino LLP
FA	Fiscal Advisors & Marketing, Inc.
Hawkins	Hawkins Delafield & Wood LLP
Hiscock	Hiscock & Barclay, LLP
O'Hara	O'Hara, O'Connell & Ciotoli
Orrick	Orrick, Herrington & Sutcliffe LLP
Squire	Squire Sanders (US) LLP
Trespasz	Trespasz & Marquardt, LLP

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CERTAIN FINANCIAL AND ECONOMIC INFORMATION ON THE SCHOOL DISTRICTS

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APPENDIX C-1
DESCRIPTION OF
ALTMAR-PARISH-WILLIAMSTOWN CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-1 a brief description of the Altmar-Parish-Williamstown Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District is located in upstate New York in the central sector of Oswego County, and covers a land area of approximately 183 square miles. The District is approximately 25 miles north of the City of Syracuse. Main highways serving the District include New York State Routes #3, #13, #69 and #104, United States Route #11 and Interstate Highway #81 which extends south from the Canadian border through Pennsylvania.

The District encompasses all or portions of the Towns of Albion, Amboy, Hastings, Mexico, Orwell, Parish, Richland, West Monroe and Williamstown and the Villages of Altmar and Parish. The District is largely suburban-rural in character with some small industry. Agricultural enterprises include dairy farming as well as fruit and vegetable production.

Police protection is provided by State, County and Village agencies. Fire protection is provided by various volunteer fire departments. Gas and electricity are provided by National Grid.

Population

The current estimated population of the District is 7,356 (2010 U.S. Census Bureau estimate).

Five Largest Employers

Name	Type	Employees
Alcan	Manufacturer	405
Altmar-Parish-Williamstown Central School District	K-12 Education	275
Oswego County	County Government	271
Camden Wire	Manufacturing	183
Accent Aviation	Distribution	104

Five Largest Taxpayers

Name	Type	Full Valuation
National Grid	Utility	$36,293,796
Oswego County Property & NYS Reforestation	County/State Land	4,967,297
Omega Wire	Manufacturing	3,988,341
Citizen's TeleComm	Utility	2,000,634
Verizon	Utility	1,776,542

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 16.9% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Oswego County.

Year Average

	2007	2008	2009	2010	2011
Oswego County	5.7%	6.9%	10.0%	10.5%	10.5%
New York State	4.5	5.3	8.4	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	1,589	1,494	1,456	1,406	1,339	1,322	1,209	1,179

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
150	APW Teachers' Association	June 30, 2013
125	APW Non-Instructional Staff Association (CSEA)	June 30, 2013

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[(1)]

Full Valuation of Taxable Real Property	$363,896,783
Debt Limit (10% of Full Valuation)	36,389,678
Gross Indebtedness[(2)]	$47,545,023
Less: Exclusions – Estimated Building Aid[(3)]	37,891,060
Total Net Indebtedness	$9,653,963
Net Debt Contracting Margin	$26,735,715
Percentage of Debt Contracting Power Exhausted	26.53%

(1) The District has not incurred any indebtedness since the date of this table.

(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $17,565,000 School District Bonds to the Authority in connection with the refunding of $19,206,945 of the District's outstanding bond anticipation notes and financing of the District's capital construction project. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the percentage of debt contracting power exhausted by the amount of the new money being issued.

(3) Represents estimate of moneys receivable by the District from the State as an apportionment for debt service for school building purposes.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

	Unit	Total Indebtedness [(1)]	Exclusions [(2)]	Net Indebtedness	% Within School District	Net Indebtedness
County of:	Oswego	$ 20,660,000	$ 0	$ 20,660,000	6.53%	$ 1,349,098
Towns of:	Albion	3,303,850	3,303,850	0	90.56	0
	Amboy	93,745	93,745	0	98.10	0
	Hastings	13,980,476	11,891,697	2,088,779	0.01	209
	Mexico	7,155,457	6,636,288	519,169	3.56	18,842
	Orwell	0	0	0	44.96	0
	Parish	0	0	0	94.49	0
	Richland	14,366,096	14,366,096	0	0.11	0
	West Monroe	745,029	545,000	200,029	1.07	1,809
	Williamstown	130,000	0	130,000	95.41	124,033
Villages of:	Altmar	0	0	0	100.00	0
	Parish	991,000	132,000	859,000	100.00	859,000
					Total	$2,352,963

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.

(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012[(1)]

	Amount	Per Capita[(2)]	Percentage of Full Value[(3)]
Gross Indebtedness[(4)]	$47,545,023	$6,463.43	13.07%
Gross Indebtedness Plus Net Overlapping Indebtedness	49,897,986	6,783.30	13.71

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 7,356.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $363,896,783.
(4) The District expects to deliver $17,565,000 School District Bonds to the Authority in connection with the refunding of $19,206,945 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the percentage of debt contracting power exhausted by the amount of the new money being issued ($513,055).

Cash Flow Borrowing

The following is a history of Tax Anticipation Note ("TAN") and Revenue Anticipation Note ("RAN") borrowings for the last five years.

Fiscal Year	Amount	Type	Issue Date	Due Date
2007-2008	$3,000,000	RAN	1/18/2008	1/16/2009
2008-2009	2,500,000	RAN	8/28/2008	8/29/2009
2008-2009	3,000,000	RAN	1/16/2009	1/15/2010
2009-2010	0	N/A	N/A	N/A
2010-2011	0	N/A	N/A	N/A
2011-2012	0	N/A	N/A	N/A

The District has no short-term cash flow indebtedness outstanding at this time.

The District has not issued Revenue Anticipation Notes for the last two fiscal years and does not expect to issue such notes in the current fiscal year. The District, historically, does not issue Tax Anticipation Notes.

Capital Project Plans

The qualified voters of the School District have authorized a $34,800,000 million capital project. The School District issued $3,000,000 bond anticipation notes on July 20, 2007 as the first borrowing against said authorization. The bond anticipation notes were renewed in full on July 18, 2008. On July 16, 2009, the School District issued $3,500,000 in bond anticipation notes, renewing $2,950,000 of the outstanding notes and issuing an additional $550,000 in new money. On November 6, 2009, the School District issued an additional $850,000 in new money. On July 15, 2010, the School District issued $17,000,000 in bond anticipation notes, renewing $4,295,000 of the bond anticipation notes outstanding and providing an additional $12,705,000 in new money. On March 15, 2011, the School District issued $10,000,000 bond anticipation notes as the fifth borrowing against said authorization. On July 15, 2012, the District issued $30,630,023 bond anticipation notes, which along with $2,120,000 available funds, renewed $24,880,000 bond anticipation notes outstanding and provide $5,750,023 in new monies for the project. In April 2012 the District issued $5,000,000 Qualified School Construction Bonds the proceeds of which will be used to retire a portion of the bond anticipation notes that mature on July 15, 2012. To date, the School District has issued $32,905,023 against said authorization. The School District Bonds will be issued to permanently finance this project.

There are no other authorized projects approved by the School District for which debt has been authorized but not issued.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Altmar-Parish-Williamstown Central School District
http://emma.msrb.org/ER539032-ER417081-ER818958.pdf
Base CUSIP: 021501

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 1st to October 31st, with a penalty of 3% from November 1st to November 15th. After November 15th, uncollected taxes are returnable to Oswego County for collection. The School District receives this amount from said County prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by said County.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

		2008	2009	2010	2011	2012
Towns of:	Albion	$ 60,227,742	$ 57,301,007	$ 76,149,128	$ 76,722,428	$ 77,210,580
	Amboy	65,759,387	65,290,925	64,908,097	65,706,196	66,325,165
	Hastings	50,033	54,862	51,500	53,456	58,665
	Mexico	763,196	7,997,524	8,381,923	8,506,942	8,364,660
	Orwell	28,591,579	30,528,217	31,670,310	32,399,566	32,465,421
	Parish	75,237,203	75,891,166	76,094,315	75,272,305	117,707,782(1)
	Richland	314,862	314,179	309,059	351,202	348,103
	West Monroe	75,910	75,141	75,130	79,311	77,740
	Williamstown	48,757,645	50,833,153	58,193,389	58,427,394	58,874,237
Totals		$283,777.757	$288,286,174	$315,832,851	$317,518,800	$361,432,353

(1) Significant change from prior year due to town-wide revaluation.

State Equalization Rates
Years Ending June 30,

		2008	2009	2010	2011	2012
Towns of:	Albion	100.00%	100.00%	100.00%	100.00%	100.00%
	Amboy	100.00	100.00	100.00	100.00	100.00
	Hastings	95.00	100.00	95.00	100.00	100.00
	Mexico	100.00	100.00	100.00	100.00	100.00
	Orwell	100.00	100.00	100.00	100.00	100.00
	Parish	77.69	77.50	72.00	72.00	100.00(2)
	Richland	100.00	100.00	90.00	91.00	91.00
	West Monroe	3.65	3.40	3.30	3.10	3.10
	Williamstown	90.00	85.00	100.00	100.00	100.00
	Taxable Full Valuation	$312,807,160	$324,018,553	$347,663,672	$349,305,206	$363,896,783

(2) Significant change from prior year due to town-wide revaluation.

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$7,763,196	$7,720,082	$7,940,945	$7,685,977	$7,685,977
% Uncollected When Due(1)	14.7%	14.1%	15.0%	12.0%	12.0%

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and up-coming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[1]	Total Revenues[1]	Percentage of Total Revenues Consisting of State Aid[1]
2007-2008	$18,226,034	$25,955,858	70.22%
2008-2009	19,736,126	28,244,485	69.88
2009-2010	18,199,214	27,482,423	66.22
2010-2011	18,637,728	27,581,346	67.57
2011-2012 (Budgeted)	22,830,721	30,748,040	74.25
2012-2013 (Budgeted)	22,163,718	35,035,874	63.26

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$288,000	$923,000
2008-2009	322,097	911,640
2009-2010	344,500	932,761
2010-2011	306,348	909,102
2011-2012 (Budgeted)	528,368	1,172,833
2012-2013 (Budgeted)	344,500	896,761

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Raymond R. Cerrone, CPA, Actuary, Questar III BOCES to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of July 1, 2010, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $20,738,104. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $20,738,1047. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $3,706,066. The District's annual OPEB expense was $1,869,468 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $631,033 to the Plan for the fiscal year ending June 30, 2011 to 338 employees, resulting in a net increase to its unfunded OPEB obligation of $1,238,435, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $4,944,501. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's revenues exceeded its expenditures by $4,030,376 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $13,196,709 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$2,338,294	$ 0	$2,338,294
2012-2013	2,356,176	1,270,722	3,626,898
2013-2014	2,354,441	1,813,400	4,167,841
2014-2015	2,321,599	1,813,800	4,135,399
2015-2016	2,274,678	1,812,300	4,086,978
2016-2017	2,209,078	1,813,300	4,022,378
2017-2018	2,123,415	1,811,550	3,934,965
2018-2019	480,855	1,812,050	2,292,905
2019-2020	485,255	1,814,550	2,299,805
2020-2021	483,343	1,813,800	2,297,143
2021-2022	485,280	1,814,800	2,300,080
2022-2023	480,700	1,812,300	2,293,000
2023-2024		1,811,300	1,811,300
2024-2025		1,811,550	1,811,550
2025-2026		1,812,800	1,812,800

APPENDIX C-2
DESCRIPTION OF
BALDWINSVILLE CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-2 a brief description of the Baldwinsville Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District is located in upstate New York, 10 miles northwest of the City of Syracuse. Major highways accessible to the District include Interstate #690, #481 and #90, (the New York State Thruway).

The District is approximately 85 square miles in land area and contains portions of the Towns of Lysander, Van Buren and Clay. The Village of Baldwinsville is wholly within the District.

The District community has a blend of residential, commercial and industrial characteristics. The District has available all the usual retail and professional services, the majority of which are found in the Village of Baldwinsville. Also available in close proximity to the District are several major shopping centers and the downtown district of the City of Syracuse.

Electricity and gas are provided by National Grid (formerly Niagara Mohawk Power Corporation). Fire protection is supplied by various volunteer units. Police protection is furnished by local, county and State agencies.

Population

The current estimated population of the District is 35,258 (2010 U.S. Census Bureau estimate).

Five Largest Employers

Name	Type	Employees
McLane Company	Distribution	900
Anheuser-Busch, Inc.	Manufacturing	500
Specialized Packaging	Packaging	180
Swanson Radisson	Warehousing	125
Excellus Healthplan	Health Insurance	75

Five Largest Taxpayers

Name	Type	Full Valuation
Anheuser-Busch, Inc.	Manufacturing	$75,000,000
National Grid	Utility	58,320,910
Verizon	Communications	27,314,383
Ball Corporation	Manufacturing	16,427,900
McLane Company	Distribution	12,875,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 10.7% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Onondaga County.

Year Average

	2007	2008	2009	2010	2011
Onondaga County	4.1%	5.2%	7.7%	8.1%	7.7%
New York State	4.5	5.3	8.4	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	6,030	5,998	5,896	5,813	5,717	5,682	5,621	5,610

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
247	CSEA (Local 834) Bus Drivers, Custodial & Cafeteria	June 30, 2014
209	Baldwinsville Educational Support Professionals Association	June 30, 2012[1]
484	Baldwinsville Teachers' Association	June 30, 2014
180	Baldwinsville Substitute Teachers Association	June 30, 2013
19	Baldwinsville Association of Principals and Instructional Supervisors	June 30, 2012[1]

(1) Currently under negotiations.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[1]

Full Valuation of Taxable Real Property	$2,192,657,114
Debt Limit (10% of Full Valuation)	219,265,711
Gross Indebtedness[2]	$52,186,108
Less: Exclusions – Estimated Building Aid[3]	0
Total Net Indebtedness	$52,186,108
Net Debt Contracting Margin	$167,079,603
Percentage of Debt Contracting Power Exhausted	23.80%

(1) The District has not incurred any indebtedness since the date of this table.
(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $10,425,000 School District Bonds to the Authority in connection with the refunding of $11,500,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.
(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within School District	Net Indebtedness
County of:					
Onondaga	$404,489,472	$204,239,072	200,250,400	6.88%	$13,777,228
Towns of:					
Lysander	4,116,185	1,961,585	2,154,600	94.51	2,036,312
Van Buren	1,615,000	350,375	1,264,625	86.27	1,090,992
Clay	5,639,640	1,216,780	4,422,860	5.61	248,122
Village of:					
Baldwinsville	375,873	55,873	320,000	100.00	320,000
Fire District:					
Belgium Cold Springs	1,363,134	0	1,363,134	100.00	1,363,134

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.
(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012[(1)]

	Amount	Per Capita[(2)]	Percentage of Full Value[(3)]
Gross Indebtedness[(4)]	$52,186,108	$1,480.12	2.38%
Gross Indebtedness Plus Net Overlapping Indebtedness	71,021,896	2,014.35	3.24

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 35,258.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $2,192,657,114.
(4) The District expects to deliver $10,425,000 School District Bonds to the Authority in connection with the refunding of $11,500,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already accounted for in the above calculations.

Cash Flow Borrowing

The District, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes.

Capital Project Plans

The District received voter approval in December 2008 for a capital project consisting of additions and alterations to various District buildings as well as athletic field improvements including construction of a storage building, restrooms and concessions at a cost not to exceed $26 million. The District will be utilizing EXCEL aid as well as $3,000,000 of capital reserve monies to fund a portion of the capital project. As of the date of this Official Statement, the District has borrowed $17,500,000 in bond anticipation notes, which mature July 26, 2012, against this authorization. The School District Bonds will retire $11,500,000 of such borrowing. The remaining $6,000,000 will be redeemed with $1,276,000 of EXCEL monies and $4,724,000 of renewal notes. The District also anticipates issuing $5,500,000 new money on July 26, 2012.

Other than as listed above, there are no other projects approved nor are any being contemplated by the District.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Baldwinsville Central School District
http://emma.msrb.org/ER538332-ER416515-ER818353.pdf
Base CUSIP: 058399

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 1st to October 31st. On or about November 15th, uncollected taxes are returnable to the County of Onondaga for collection. The School District receives this amount from said County prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by the County.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Lysander	$1,258,441,614	$1,297,077,796	$1,331,751,742	$1,370,837,464	$1,458,427,251
VanBuren	471,610,740	503,092,485	529,449,891	539,688,065	545,909,446
Clay	7,920,423	8,093,935	8,092,834	8,139,523	8,135,442
Total Assessed Valuation	$1,737,972,777	$1,808,264,216	$1,869,294,467	$1,918,665,052	$2,012,472,139

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Lysander	100.00%	100.00%	100.00%	100.00%	100.00%
VanBuren	100.00	100.00	100.00	100.00	100.00
Clay	4.45	4.36	4.32	4.32	4.32
Taxable Full Valuation	$1,908,039,388	$1,985,810,992	$2,048,535,753	$2,098,940,413	$2,192,657,114

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$44,950,000	$46,780,000	$46,780,000	$47,822,714	$49,977,336
% Uncollected When Due(1)	4.7%	6.2%	5.5%	4.8%	N/A

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and up-coming fiscal years.

State Aid and Revenues

Fiscal Year	**Total State Aid**[1]	**Total Revenues**[1]	**Percentage of Total Revenues Consisting of State Aid**[1]
2007-2008	$37,515,476	$89,217,907	42.05%
2008-2009	39,738,610	92,654,676	42.89
2009-2010	35,507,341	92,440,312	38.41
2010-2011	34,179,696	88,719,991	38.53
2011-2012 (Budgeted)	32,748,847	86,314,459	37.94
2012-2013 (Budgeted)	33,842,450	92,205,205	36.70

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	**ERS**	**TRS**
2007-2008	$852,473	$3,099,019
2008-2009	833,818	2,910,970
2009-2010	889,340	2,249,700
2010-2011	1,301,401	3,094,436
2011-2012 (Budgeted)	1,720,104	4,473,469
2012-2013 (Budgeted)	1,942,396	4,499,520

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Armory Associates LLC to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2011, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $129,754,652. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $129,754,652. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $22,420,714. The District's annual OPEB expense was $13,560,782 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $3,797,417 to the Plan for the fiscal year ending June 30, 2011 to 1,237employees (active and retired), resulting in a net increase to its unfunded OPEB obligation of $9,763,365, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $32,184,079. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's revenues exceeded its expenditures by $1,099,069 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $3,421,107 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$8,352,952	$ 0	$8,352,952
2012-2013	5,971,282	1,014,588	6,985,870
2013-2014	5,966,841	1,013,875	6,980,716
2014-2015	5,492,741	1,015,425	6,508,166
2015-2016	6,419,110	1,016,375	7,435,485
2016-2017	6,437,085	1,016,725	7,453,810
2017-2018	6,211,750	1,017,950	7,229,700
2018-2019	4,305,450	1,014,850	5,320,300
2019-2020		1,015,650	1,015,650
2020-2021		1,015,250	1,015,250
2021-2022		1,014,500	1,014,500
2022-2023		1,017,875	1,017,875
2023-2024		1,014,125	1,014,125
2024-2025		1,018,125	1,018,125
2025-2026		1,014,750	1,014,750

APPENDIX C-3
DESCRIPTION OF
BEAVER RIVER CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-3 a brief description of the Beaver River Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District is located in Lewis County about 25 miles from the City of Watertown. The District includes the Towns of Croghan, New Bremen and Watson.

The stable economy of the District is based on its diversified industry. In addition to being a well-known dairy farming area, the District is noted for wooden specialty products, paper folding boxes, tourism, granite and memorial monuments and industrial chemicals.

Population

The current estimated population of the District is 5,545 (2010 U.S. Census Bureau estimate).

Five Largest Employers

Name	Type	Employees
Beaver River Central School District	Educational Institution	160
Interface Solutions	Manufacturing	75
Climax Manufacturing	Manufacturing	65
Beaver Falls Sealing Products	Manufacturing	40
Omniafiltra	Manufacturing	30

Five Largest Taxpayers

Name	Type	Full Valuation
Iroquois Gas Transmission	Utility	$54,573,946
Erie Boulevard Hydropower	Hydro-Dams	47,019,110
National Grid	Utility	26,366,486
State of New York Champion Realty Corp.	State Land	10,884,950
Champion Realty Corp	Manufacturing	6,154,573

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 34.4% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Lewis County.

Year Average

	2007	2008	2009	2010	2011
Lewis County	5.5%	6.6%	9.0%	9.2%	9.5%
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	952	938	935	921	897	955	940	940

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
69	Beaver River CSD School Related Personnel Association	June 30, 2011(1)
66	Beaver River Teachers' Association	June 30, 2012(1)
8	Managerial/Confidential	N/A – No Contract
3	Administrators – Principals	June 30, 2011(1)
1	Administrator – Superintendent	N/A – No Contract

(1) Currently under negotiations.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[1]

Full Valuation of Taxable Real Property	$559,069,946
Debt Limit (10% of Full Valuation)	55,906,995
Gross Indebtedness[2]	$8,799,000
Less: Exclusions – Estimated Building Aid[3]	0
Total Net Indebtedness	$8,799,000
Net Debt Contracting Margin	$47,107,995
Percentage of Debt Contracting Power Exhausted	15.74%

(1) The District has not incurred any indebtedness since the date of this table.

(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $1,585,000 School District Bonds to the Authority in connection with the refunding of $2,025,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
County of:					
Lewis	$14,215,000	$0	$14,215,000	24.06%	$3,420,129
Towns of:					
Croghan	474,783	0	474,783	88.69	421,085
New Bremen	0	0	0	97.35	0
Watson	0	0	0	32.13	0
Village of:					
Croghan	290,000	290,000	0	100.00	0
				Total	$3,841,214

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.

(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$8,799,000	$1,586.83	1.57%
Gross Indebtedness Plus Net Overlapping Indebtedness	12,640,214	2,279.57	2.26

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 5,545
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $599,070,046.
(4) The District expects to deliver $1,585,000 School District Bonds to the Authority in connection with the refunding of $1,713,193 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

Cash Flow Borrowing

The District, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes.

Capital Project Plans

The District has no authorized and unissued indebtedness for capital or other purposes other than the issuance of the School District Bonds.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Beaver River Central School District
http://emma.msrb.org/ER538246-ER416415-ER818258.pdf
Base CUSIP: 075347

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 1st to October 31st. On or about November 1st, uncollected taxes are returnable to the Treasurer of the County of Lewis for collection. The District receives this amount from said County prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually. Taxes unpaid after October 31, are re-levied at an additional 7% penalty with the County and other local municipal taxes which are due on January 1 and, therefore, such taxes may not be paid between October 31 and January 1.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Croghan	$176,511,254	$178,112,041	$176,021,373	$176,819,474	$184,685,393
New Bremen	115,141,122	129,796,114	137,675,398	140,050,904	139,431,432
Watson	44,718,838	50,943,730	55,637,472	53,126,185	163,131,024
Total Assessed Valuation	$336,371,214	$358,851,885	$369,334,243	$369,996,563	$487,247,849

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Croghan	86.00%	77.00%	71.00%	71.00%	72.00%
New Bremen	100.00	100.00	100.00	100.00	100.00
Watson	100.00	100.00	100.00	100.00	100.00
Taxable Full Valuation	$365,105,604	$412,054,183	$441,230,297	$442,218,602	$559,069,946

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$4,090,900	$4,305,144	$4,305,144	$4,477,066	$4,656,414
% Uncollected When Due(1)	9.4%	8.9%	8.7%	8.7%	6.1%

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[(1)]	Total Revenues[(1)]	Percentage of Total Revenues Consisting of State Aid[(1)]
2007-2008	$9,765,727	$14,400,696	67.81%
2008-2009	10,325,166	15,153,764	68.14
2009-2010	9,369,327	14,831,734	63.17
2010-2011	8,257,451	13,603,903	60.70
2011-2012 (Budgeted)	8,135,201	13,323,787	61.06
2012-2013 (Budgeted)	8,668,348	13,724,129	63.16

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$138,913	$385,744
2008-2009	134,119	338,622
2009-2010	188,560	277,495
2010-2011	180,671	312,154
2011-2012 (Budgeted)	265,178	513,300
2012-2013 (Budgeted)	250,000	400,000

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Poulsen & Podvin, PC to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2011, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $3,774,185. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $3,774,185. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $2,582,991. The District's annual OPEB expense was $1,781,425 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $590,231 to the Plan for the fiscal year ending June 30, 2011 to 116 employees, resulting in a net increase to its unfunded OPEB obligation of $1,191,194, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $3,774,185. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's expenditures exceeded its revenues by $116,199 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $2,763,512 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness(1)

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$ 319,000	$ 0	$ 319,000
2012-2013	1,585,000	148,416	1,733,416
2013-2014	1,640,000	150,363	1,790,363
2014-2015	1,620,000	152,163	1,772,163
2015-2016	1,615,000	147,913	1,762,913
2016-2017	50,000	148,663	198,663
2017-2018	50,000	149,163	199,163
2018-2019	50,000	149,413	199,413
2019-2020	50,000	149,413	199,413
2020-2021		149,163	149,163
2021-2022		148,663	148,663
2022-2023		147,913	147,913
2023-2024		146,913	146,913
2024-2025		150,663	150,663
2025-2026		148,913	148,913
2026-2027		149,713	149,713

(1) Schedule does not include remaining payments of $36,864 due under an energy performance contract.

APPENDIX C-4
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF BINGHAMTON

There follows in this Appendix C-4 a brief description of the City School District of the City of Binghamton (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District, with a land area of approximately 12 square miles, includes all of the City of Binghamton (the "City") and a small portion of the Town of Dickinson.

Major highways within and in close proximity to the District include U. S. Route 11, Interstate 81 which extends north to Canada and south to Tennessee, Interstate #88 which runs northeast to Albany, Route #17 (The Southern Tier Expressway) which runs east-west and connects with Interstate #87 north of New York City and Interstate #90 near Erie, Pennsylvania, and State Routes #7, #12 and #26. Bus service is provided to and from the District by Capital Trailways, Greyhound Bus Lines and Short Lines. The Broome County (the "County") transit system provides local daily bus service.

Air transportation through the Binghamton Regional Airport is provided by various national, commuter and regional airlines which include US Airways, Colgan, Mall, Allegany-Commuter, Altair, Air Vector and Air North Airlines. Emery Air Freight and Federal Express also operate from the Airport. The District is also served by the Tri-Cities Airport, located in nearby Endicott. Railroads providing freight service to the area include Conrail, the Delaware and Hudson Railroad and the Delaware and Otsego Railroad.

Banking services are provided to the inhabitants of the District by offices of Partners Trust Bank, JPMorgan Chase Bank, N.A., Bank of America, KeyBank, N.A., Manufacturers & Traders Trust Company, HSBC Bank USA and NBT Bank, N.A.

Electric utility and natural gas services are provided by the New York State Electric and Gas Corporation (NYSEG). Police protection is afforded the residents by the City, County and State agencies. Fire protection is provided by the City's full-time fire department. Water and sewer facilities and refuse collection are provided by the City, except in the Town of Dickinson. Waste disposal is provided by the County through the County's sanitary landfill operations.

Population

The current estimated population of the District is 47,376 (2010 U.S. Census Bureau estimate).

Five Largest Employers

Name	Type	Employees
Broome County	Government	2,400
Binghamton University (SUNY)	Education	1,973
United Health Services	Private Hospital	1,500
Our Lady of Lourdes Hospital	Private Hospital	1,400
Universal Instruments	Electronics Equipment	1,100

Five Largest Taxpayers

Name	Type	Full Valuation
New York State Electric & Gas	Utility	$63,195,798
Akel/Giant Market/160 Robinson St. LLC	Food Markets	13,673,849
Pennsylvania Lines, LLC	Railroad	9,220,911
Verizon	Utility	7,227,029
Front Street Binghamton, LLC	Nursing Home	7,179,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 10.8% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Broome County.

Year Average

	2007	2008	2009	2010	2011
Broome County	4.5%	5.6%	8.3%	8.9%	8.5%
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	6,332	5,963	5,972	6,173	6,100	5,898	6,100	6,100

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
602	Binghamton Teachers' Association	June 30, 2011[1]
27	Binghamton Administrators' Association	June 30, 2012[1]
200	Civil Service Employees' Association	June 30, 2012[1]
237	Civil Service Employees' Association – Aides & Monitors	June 30, 2013

(1) Currently under negotiations.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012(1)

	Based on Conventional Equalization Rates	Based on Special Equalization Rates
Five Year Average Full Valuation of Taxable Real Property(2)	$1,570,492,967	$1,686,548,047
Debt Limit (5% of full valuation)(3)	78,524,648	84,327,402
Outstanding Indebtedness(4)		
Inclusions		
Bonds (5)	$29,910,000	$29,910,000
Bond Anticipation Notes	31,060,000	31,060,000
Total Inclusions	$60,970,000	$60,970,000
Exclusions		
Bonds Previously Refunded	$0	$0
Appropriations	0	0
Total Exclusions	$0	$0
Total Net Indebtedness	$60,970,000	$60,970,000
Net Debt Contracting Margin	$17,554,648	$23,357,402
Percentage of Debt Contracting Power Exhausted	77.64%	72.30%

(1) The District has not incurred any indebtedness since the date of this table. The District expects to deliver $18,515,000 School District Bonds to the Authority in connection with the refunding of $21,060,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

(2) Five-year average from 2008 to 2012 used for net debt contracting margin based on conventional equalization rates; five-year average from 2007-2011 used for net debt contracting margin based on special equalization rates.

(3) The District's constitutional debt limit has been computed using special equalization ratios established by the State Office of Real Property Tax Services pursuant to Art-12-B of the Real Property Tax Law. "Conventional" State equalization rates are also established by the State Board, and are used for all other purposes.

(4) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the constitutional debt limit of the District.

(5) Includes $5,000,000 Qualified School Construction Bonds anticipated to be delivered on May 24, 2012.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
County of:					
Broome	$191,488,523	$40,646,941	$150,841,582	16.57%	$24,994,450
City of:					
Binghamton	112,590,057	51,576,692	61,013,365	100.00	61,013,365
Town of:					
Dickinson	1,617,500	56,000	1,561,500	18.96	296,060
				Total	$86,303,875

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.
(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$60,970,000	$1,286.94	3.31%
Gross Indebtedness Plus Net Overlapping Indebtedness	147,273,875	3,108.62	7.99

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 47,376.
(3) Based on the District's full value of taxable real estate using the special State equalization ratios for 2010-11 of $1,842,347,673.
(4) The District expects to deliver $18,515,000 School District Bonds to the Authority in connection with the refunding of $21,060,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already accounted for in the above calculations.

Cash Flow Borrowing

The following is a history of Tax Anticipation Note ("TAN") and Revenue Anticipation Note ("RAN") borrowings for the last five years and the proposed issuance for 2012-2013.

Fiscal Year	Amount	Type	Issue Date	Due Date
2006-2007	$9,500,000	RAN	1/20/06	1/19/07
2007-2008	9,500,000	RAN	1/19/07	1/18/08
2008-2009	9,500,000	RAN	1/18/08	1/16/09
2009-2010	9,500,000	RAN	1/15/09	1/15/10
2009-2010	5,000,000	TAN	1/29/10	6/30/10
2010-2011	6,000,000	TAN	6/24/11	1/24/11
2010-2011	8,000,000	TAN	1/20/11	6/30/11
2011-2012	10,000,000	TAN	6/23/11	1/20/12
2011-2012	5,000,000	TAN	11/22/11	6/29/12
2011-2012	10,000,000	RAN	2/16/12	7/13/12
2012-2013[1]	7,200,000	RAN	6/28/12	1/25/13
2012-2013 [1]	10,000,000	TAN	7/12/12	1/25/13

(1) Anticipated issuance.

Capital Project Plans

The District has no authorized and unissued indebtedness for capital or other purposes other than the issuance of the School District Bonds.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

City School District of the City of Binghamton
http://emma.msrb.org/EA449801-EA349172-EA745108.pdf
Base CUSIP: 090473

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

District taxes on properties located within the City are collected by the City Tax Collector. The District appoints a Tax Collector to collect taxes on properties within the Town of Dickinson. Taxpayers within the City have the option of paying their taxes in full during the month of September or in three installments as follows: September 1-30, November 1-30 and March 1-31. No fees are charged if the installment method is chosen. No installment may be paid unless prior installments and interest, if any, of current taxes have been paid.

If any installment is paid after its due date, the penalty, as stated, is 1% per month plus a 5% collection fee on uncollected taxes in the City. The City pays the District the taxes as collected each month including the 1% penalty but excluding the 5% collection fee. Starting in July, the penalty becomes 1/2 of 1% per month. The City holds a tax sale on November 1 (thirteen months after the initial levy) and bids in on all the property. The District then receives the balance of taxes due plus accumulated interest penalties but not the 5% collection fee which is retained by the City. Thus, the District collects all of its tax levy in November of the following fiscal year. Uncollected taxes in the Town of Dickinson are returned to the County for collection about November 15 and the District receives the full amount due in April of the same fiscal year.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy
Assessed Valuation
Years Ending June 30,

	2007	2008	2009	2010	2011	2012
City of:						
Binghamton	$1,232,776,869	$1,236,901,412	$1,237,731,577	$1,229,247,666	$1,244,355,666	$1,249,222,304
Town of:						
Dickinson	29,032,921	29,095,395	29,754,214	29,428,928	29,350,623	29,355,117
Total Assessed Valuation	$1,261,809,790	$1,265,996,807	$1,267,485,791	$1,258,676,594	$1,273,706,289	$1,278,577,421

State Equalization Rates
Years Ending June 30,

	2007	2008	2009	2010	2011	2012
City of:						
Binghamton	100.00%	87.90%	83.60%	77.00%	80.00%	78.00%
Town of:						
Dickinson	90.00	81.00	70.00	67.00	67.00	65.00
Taxable Full Valuation	$1,265,035,670	$1,443,089,083	$1,523,046,184	$1,640,349,313	$1,599,251,483	$1,646,728,775

Special State Equalization Ratios
Years Ending June 30,

	2007	2008	2009	2010	2011	2012
City of:						
Binghamton	81.11%	75.40%	78.44%	73.67%	69.56%	N/A
Towns of:						
Dickinson	67.27	64.61	64.74	59.59	54.91	N/A
Taxable Full Valuation	$1,563,041,508	$1,685,485,141	$1,623,893,740	$1,717,972,171	$1,842,347,673	N/A

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$34,556,595	$35,417,082	$35,967,082	$36,507,717	$37,785,487
% Uncollected When Due[1]	5.5%	7.5%	9.2%	8.1%	N/A

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[1]	Total Revenues[1]	Percentage of Total Revenues Consisting of State Aid[1]
2007-2008	$45,679,283	$84,432,131	54.10%
2008-2009	50,896,237	90,179,726	56.44
2009-2010	49,984,689	93,442,719	53.49
2010-2011	48,832,767	91,002,236	53.66
2011-2012 (Budgeted)	51,268,432	94,620,503	54.18
2012-2013 (Budgeted)	50,481,848	94,373,148	53.49

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$749,946	$3,354,760
2008-2009	710,599	3,567,527
2009-2010	656,377	3,158,540
2010-2011	1,091,748	2,732,693
2011-2012 (Budgeted)	1,125,000	2,892,000
2012-2013 (Budgeted)	1,845,000	3,572,000

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Armory Associates, LLC to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of July 1, 2010, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $89,211,564. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $89,211,564. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $15,394,064. The District's annual OPEB expense was $10,551,911 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $1,999,974 to the Plan for the fiscal year ending June 30, 2011 to 1,603 employees, resulting in a net increase to its unfunded OPEB obligation of $8,551,937, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $23,946,001. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's expenditures exceeded its revenues by $1,032,971 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $3,382,084 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness[1]

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$ 2,190,000	$ 0	$2,190,000
2012-2013	2,765,000	1,643,611	4,408,611
2013-2014	3,040,000	1,948,925	4,988,925
2014-2015	3,160,000	1,950,150	5,110,150
2015-2016	3,280,000	1,948,350	5,228,350
2016-2017	2,820,000	1,949,450	4,769,450
2017-2018	2,940,000	1,948,350	4,888,350
2018-2019	845,000	1,949,950	2,794,950
2019-2020	890,000	1,949,150	2,839,150
2020-2021	935,000	1,945,950	2,880,950
2021-2022	980,000	1,946,625	2,926,625
2022-2023	1,030,000	1,950,125	2,980,125
2023-2024	1,085,000	1,949,125	3,034,125
2024-2025	1,140,000	643,275	1,783,275
2025-2026		644,525	644,525

APPENDIX C-5
DESCRIPTION OF
BOLIVAR-RICHBURG CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-5 a brief description of the Bolivar-Richburg Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District, created through the merger of the former Bolivar and Richburg Districts effective July 1, 1994, has an area of approximately 99 square miles. The District is located approximately 15 miles east of the City of Olean and 90 miles southeast of Buffalo. The District includes the incorporated Villages of Bolivar and Richburg, as well as all or portions of the Towns of Alma, Bolivar, Clarksville, Cuba, Friendship, Genesee and Wirt in Allegany County.

State Route 275 provides easy access to Interstate 86, the main east-west expressway between the Cities of Jamestown and Binghamton. Bus transportation is available in Bolivar; air transportation is accessed in the Cities of Buffalo or Rochester.

The District is primarily a rural/agricultural area, with many residents commuting to Olean and Wellsville for employment. Public water is provided by the Villages of Bolivar and Richburg, while outlying areas use private wells. Public sewer services are provided to a limited area by the Village of Bolivar. Fire protection and ambulance services are provided by various volunteer organizations. Police protection is provided by the Village of Bolivar and the Allegany County Sheriff's Department which is supplemented by the New York State Police.

The District provides public education for grades Pre-K through 12. Opportunities for higher education include St. Bonaventure University in Olean, Alfred State College and Alfred University in Alfred, Houghton College in Caneadea and Jamestown Community College.

Commercial and financial services are available in the Villages of Bolivar and Richburg and the City of Olean. Recreational and cultural facilities are available through the various colleges and universities, as well as in the Jamestown, Buffalo and Rochester areas. Banking services are provided within the District by offices of Steuben Trust Company and Community Bank, N.A.

Population

The current estimated population of the District is 4,547 (2010 U.S. Census Bureau estimate).

Five Largest Employers

Name	Type	Employees
Bolivar-Richburg CSD	Public Education	162
Heritage Cutlery	Cutlery Manufacturer	50
Baldwin Forest	Lumber Company	35
Foodland	Grocery Store	25
Industrial Patterns	Manufacturer	10

Five Largest Taxpayers

Name	Type	Full Valuation
Rochester Gas & Electric	Utility	$7,592,864
National Fuel Gas	Utility	6,590,155
Verizon Telecommunications	Utility	1,826,760
JJ Golf Inc.	Private	456,160
Bolivar Manor	Senior Citizen Home	392,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 11% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Allegany County.

Year Average

	2007	2008	2009	2010	2011
Allegany County	5.5%	6.4%	8.8%	9.1%	8.7%
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14	Projected 2014-15
K-12	965	917	908	903	880	850	850	800

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
87	Bolivar-Richburg Teachers' Association	June 30, 2014
61	Bolivar-Richburg Non-Teachers' Association CSEA	June 30, 2012(1)
4	Bolivar-Richburg Administrators' Association	June 30, 2013

(1) Currently under negotiations.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[1]

Full Valuation of Taxable Real Property	$153,178,077
Debt Limit (10% of Full Valuation)	15,317,807
Gross Indebtedness[2]	$17,698,810
Less: Exclusions – Estimated Building Aid[3]	16,359,991
Total Net Indebtedness	$1,338,819
Net Debt Contracting Margin	$13,978,988
Percentage of Debt Contracting Power Exhausted	8.74%

(1) The District has not incurred any indebtedness since the date of this table.

(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $4,505,000 School District Bonds to the Authority in connection with the refunding of $5,095,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

(3) Represents estimate of moneys receivable by the District from the State as an apportionment for debt service for school building purposes.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
County of:					
Allegany	$39,480,000	$39,480,000	$0	8.7%	$0
Towns of:					
Alma	182,462	0	182,462	1.56	2,846
Bolivar	0	0	0	95.97	0
Clarksville	0	0	0	52.78	0
Cuba	4,195,121	0	4,195,121	0.04	1,678
Friendship	1,656,994	1,365,194	291,800	1.08	3,151
Genesee	144,000	0	144,000	46.99	67,666
Wirt	55,121	55,121	0	82.30	0
Villages of:					
Bolivar	588,480	526,000	62,480	100.00	62,480
Richburg	20,000	20,000	0	100.00	0
				Total	$137,821

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.

(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012[(1)]

	Amount	Per Capita[(2)]	Percentage of Full Value[(3)]
Gross Indebtedness[(4)]	$17,698,810	$3,892.41	11.55%
Gross Indebtedness Plus Net Overlapping Indebtedness	17,836,631	3,922.73	11.64

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 4,547
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $153,178,077
(4) The District expects to deliver $4,505,000 School District Bonds to the Authority in connection with the refunding of $5,095,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already accounted for in the above calculations.

Cash Flow Borrowing

The District, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes.

Capital Project Plans

The District has no authorized and unissued indebtedness for capital or other purposes other than the issuance of the School District Bonds.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Bolivar-Richburg Central School District
http://emma.msrb.org/EP596872-EP466790-EP866868.pdf\

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Taxes are payable during September without penalty. Payments made during the month of October carry a 2% penalty, while payments made during the first three weeks of November carry a penalty of 3%.

On or about November 15, a list of all unpaid taxes is given to the County Treasurer for the payment of all uncollected taxes.

The District is reimbursed by the County for all unpaid taxes in April of each year and is thus assured of 100% collection of its annual levy.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Alma	$478,300	$481,684	$477,009	$459,382	$468,919
Bolivar	51,703,100	56,330,841	58,557,200	59,225,977	59,399,778
Clarksville	16,731,106	22,969,952	24,625,747	24,662,579	24,706,326
Cuba	41,000	52,564	71,200	71,200	71,200
Friendship	448,928	583,023	449,359	448,223	448,223
Genesee	27,596,967	27,651,156	27,902,004	28,070,183	28,216,400
Wirt	25,529,487	36,179,052	36,322,476	36,618,925	36,518,900
Total Assessed Valuation	$122,528,888	$144,248,272	$148,404,995	$149,556,469	$149,829,746

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Alma	100.00%	95.00%	93.00%	93.00%	94.00%
Bolivar	100.00	92.00	100.00	100.00	95.00
Clarksville	73.00	73.00	100.00	100.00	100.00
Cuba	78.00	78.00	100.00	100.00	100.00
Friendship	77.00	77.00	75.00	73.00	70.00
Genesee	100.00	100.00	100.00	100.00	100.00
Wirt	44.00	100.00	100.00	100.00	100.00
Taxable Full Valuation	$161,354,839	$157,856,669	$148,590,685	$149,756,827	$153,178,077

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$2,224,985	$2,403,033	$2,499,160	$2,599,055	$2,650,976
% Uncollected When Due[(1)]	0%	0%	0%	0%	0%

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[1]	Total Revenues[1]	Percentage of Total Revenues Consisting of State Aid[1]
2007-2008	$14,205,991	$16,951,780	83.80%
2008-2009	14,808,941	17,804,515	83.18
2009-2010	13,298,394	16,736,538	79.46
2010-2011	13,050,903	16,288,558	80.12
2011-2012 (Budgeted)	13,364,628	16,765,604	79.71
2012-2013 (Budgeted) [2]	13,324,146	16,510,677	80.70

(1) General Fund only.

(2) The 2012-2013 District budget was rejected by voters on May 15, 2012. See "Recent Operating Results" below.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2008-2009 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2008-2009	$141,717	$492,000
2009-2010	271,100	416,025
2010-2011	256,594	550,000
2011-2012 (Budgeted)	220,000	540,073
2012-2013 (Budgeted)	184,120	493,034

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with NYHART to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2011, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $531,911. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $531,911. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $12,092. The District's annual OPEB expense was $61,654 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $48,023 to the Plan for the fiscal year ending June 30, 2011 to 3 employees, resulting in a net increase to its unfunded OPEB obligation of $13,631, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $25,723. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's revenues exceeded its expenditures by $128,137 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $1,174,700 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was rejected by voters on May 15, 2012. The Board of Education has determined, pursuant to the provisions of the Education Law, to hold a second referendum on the budget on June 19, 2012. If the District budget is rejected a second time, the District must revert to a contingency budget. Such contingency budget would provide for certain exempt expenses, including debt service on School District Bonds, but would otherwise restrict the District to levying a tax no greater than the tax levy amount for the prior fiscal year.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$ 2,311,156	$ 0	$2,311,156
2012-2013	2,326,709	505,832	2,832,541
2013-2014	2,332,606	504,738	2,837,344
2014-2015	2,320,156	507,938	2,828,094
2015-2016	2,324,662	507,438	2,832,100
2016-2017	1,170,993	506,188	1,677,181
2017-2018	1,163,875	504,188	1,668,063
2018-2019	1,172,215	506,438	1,678,653
2019-2020	518,025	507,688	1,025,713
2020-2021	514,305	507,938	1,022,243
2021-2022		507,188	507,188
2022-2023		505,438	505,438
2023-2024		507,688	507,688
2024-2025		28,688	28,688
2025-2026		27,438	27,438
2026-2027		26,688	26,688
2027-2028		25,875	25,875

APPENDIX C-6
DESCRIPTION OF
BURNT HILLS-BALLSTON LAKE CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-6 a brief description of the Burnt Hills-Ballston Lake Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District lies on the borders of Saratoga and Schenectady Counties just west of the capital region of New York State, approximately five miles north of the City of Schenectady. The District encompasses approximately 40 square miles and includes portions of the Towns of Ballston, Charlton, Clifton Park and Glenville (the "Towns").

The District is primarily suburban residential in nature. The majority of homes within the District are single-family homes and the trend of new residential construction is for upper-middle income homes. Commercial development within the District is limited, however, the residents are afforded ample retail services located in the Town of Glenville in the southern end of the District at the Mayfair and Willowbrook Shopping Centers.

Economic developments include:

A new Target is expected to open near the District within the next 2-3 months.

Global Foundries continues to construct Fab 8, a computer chip manufacturing facility in the Luther Forest Technology Park in the Towns of Malta and Stillwater. The company currently has 1,000 employees on site and expects to have another 400 by the end of 2012. Global Foundries is also constructing a building adjacent to the facility, Admin 2, which will have the capacity to accommodate 1,500 employees. Construction is expected to be completed in August 2012 and the number of employees is projected to be 1,655. Manufacturing of computer wafers is expected to begin in 2013. The expansion of Global Foundries has started to create a housing demand within the District as more families move to the area for employment. Additionally, local businesses also are expected to move to the area as a result of the increase in population.

Population

The current estimated population of the District is 18,815 (2010 U.S. Census Bureau estimate).

Five Largest Employers

Name	Type	Estimated Number of Employees
Burnt Hill-Ballston Lake CSD	Public Education	579
Price Chopper	Supermarket	285
Hannaford	Supermarket	124
Morris Ford	Automobile Dealership	65
Town of Ballston	Municipality	57

Five Largest Taxpayers

Name	Type	Full Valuation
National Grid	Utility	$ 37,042,498
MSF Mayfair LLC	Shopping Center	6,135,055
REESG Properties, LLC	Shopping Center	5,925,715
Indian Brook Apartments	Apartments	5,327,802
Fred Fox	Industrial Park	5,100,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 4.06% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest areas for which such statistics are available (which includes the District) are Saratoga and Schenectady Counties. Over the past five years, both Counties' unemployment rate has been historically below the State average unemployment rate.

Year Average

	2007	2008	2009	2010	2011
Saratoga County	3.7%	4.6%	6.4%	6.8%	6.6%
Schenectady County	4.2	5.1	7.4	7.8	7.5
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14	Projected 2014-15
K-12	3,431	3,444	3,403	3,399	3,251	3,490	3,490	3,500

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
267	New York State United Teachers' Association	June 30, 2011 (1)
279	Civil Service Employees' Association	June 30, 2013
16	Burnt Hills-Ballston Lake Administrators' Association	June 30, 2012 (1)
11	Non-Contractual Employees'	June 30, 2012 (1)
3	Operations Managers' Association	June 30, 2014
3	Individual Contracts	June 30, 2012 (1)

(1) Currently in negotiation.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[1]

Full Valuation of Taxable Real Property	$ 1,776,193,508
Debt Limit (10% of Full Valuation)	177,619,351
Gross Indebtedness[2]	$ 35,884,000
Less: Exclusions – Estimated Building Aid[3]	0
Total Net Indebtedness	$ 35,884,000
Net Debt Contracting Margin	141,735,351
Percentage of Debt Contracting Power Exhausted	20.20%

(1) The District has not incurred any indebtedness since the date of this table.
(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $11,140,000 School District Bonds to the Authority in connection with the refunding of $8,376,556 of the District's outstanding bond anticipation notes and financing of the District's capital construction project. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the percentage of debt contracting power exhausted accordingly.
(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness (1)	Exclusions (2)	Net Indebtedness	% Within School District	Net Indebtedness
Counties of:					
Saratoga	$ 79,869,000	$ 0	$ 79,869,000	5.30%	$ 4,233,057
Schenectady	57,714,665	0	57,714,665	6.85	3,953,455
Towns of:					
Ballston	3,970,500	3,970,500	0	71.66	0
Charlton	1,853,600	123,600	1,730,000	79.59	1,376,907
Clifton Park	12,057,491	1,520,803	10,536,688	2.72	286,598
Glenville	21,764,820	11,265,816	10,499,004	29.89	3,138,152
				Total	$ 12,988,169

(1) Bonds and bond anticipation notes, as of close of last respective fiscal year adjusted to include subsequent bond sales, if any.
(2) Sewer and Water Debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012[1]

	Amount	Per Capita [2]	Percentage of Full Value [3]
Gross Indebtedness[4]	$35,884,000	$ 1,907.20	2.02%
Gross Indebtedness Plus Net Overlapping Indebtedness	48,872,169	2,597.51	2.75

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 18,815.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $1,776,193,508.
(4) The District expects to deliver $11,140,000 School District Bonds to the Authority in connection with the refunding of $8,376,556 of the District's outstanding bond anticipation notes and financing of the District's capital construction project. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the debt ratios accordingly.

Cash Flow Borrowing

The School District has issued tax anticipation notes in the past. The last borrowing was during the 1999-2000 fiscal year.

Capital Project Plans

The District has no authorized and unissued indebtedness for capital or other purposes other than the issuance of the School District Bonds. The District annually issues bond anticipation notes to finance the purchase of school buses for the District.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") and are incorporated by reference herein.

Burnt Hills-Ballston Lake Central School District
http://emma.msrb.org/ER538281-ER416460-ER818302.pdf
Base CUSIP: 122547

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charged from September 1st through September 30th, but a 2% penalty is charged from October 1st to November 1st. By November 15th of each year, uncollected school taxes are reported to the respective County Treasurers and, by April 1st, the Counties are required to pay the amount of such uncollected taxes to the District. Thus, the District is assured 100% tax collection annually. The Counties have the power to issue and sell tax anticipation notes in order to reimburse any uncollected taxes paid to the District.

Valuations and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations and Tax Levy
Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Ballston	$ 587,084,708	$ 604,540,869	$ 612,431,412	$ 618,962,389	$ 622,422,397
Charlton	237,671,400	237,843,602	239,187,179	242,346,895	243,721,515
Clifton Park	63,443,594	63,589,911	62,562,939	62,706,798	62,642,371
Glenville	604,627,665	608,301,343	607,913,225	612,079,803	611,209,839
Total Assessed Valuation	$1,492,827,367	$1,514,275,725	$1,522,094,755	$1,536,095,885	$1,539,996,122

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Ballston	88.00%	87.00%	88.00%	92.00%	96.00%
Charlton	70.00	68.00	67.00	70.00	70.00
Clifton Park	56.00	54.00	58.00	58.00	58.00
Glenville	90.00	85.00	85.00	91.00	91.00
Taxable Full Valuation	$1,791,772,934	$1,878,052,298	$1,875,999,742	$1,799,725,393	$1,776,193,508

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$29,948,153	$31,556,379	$32,306,060	$33,286,135	$34,281,301
% Uncollected When Due	0.0%	0.0%	0.0%	0.0%	N/A

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past five completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid

Fiscal Year	**Total State Aid** [(1)]	**Total Revenues** [(1)]	**Percentage of Total Revenues Consisting of State Aid** [(1)]
2006-07	$ 18,373,440	$ 47,686,457	38.53%
2007-08	18,959,229	50,515,948	37.53
2008-09	20,027,377	53,489,929	37.44
2009-10	16,978,258	52,894,626	32.10
2010-11	17,219,376	52,184,233	33.00
2011-12 (Budgeted)	16,846,160	54,769,942	30.76
2012-13 (Budgeted)	18,172,605	56,912,454	31.93

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2006-2007 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Year	ERS	TRS
2006-2007	$ 568,763	$ 1,803,666
2007-2008	466,771	2,003,825
2008-2009	453,933	2,067,821
2009-2010	407,766	1,875,746
2010-2011	563,424	1,565,283
2011-2012 (Budgeted)	841,709	2,084,561
2012-2013 (Budgeted)	1,130,397	2,579,996

GASB 45 and OPEB

The District contracted with Capital Region BOCES to calculate its "other post-employment benefits" ("OPEB") in accordance with GASB 45. As of June 30, 2011, the actuarial accrued liability for benefits was $40,449,252, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of $40,449,252. The District's annual OPEB cost was $2,748,990 and the annual required contribution (ARC) is $2,680,942. The District is on a pay-as-you-go funding basis and paid $2,300,325 to the Plan for the fiscal year ending June 30, 2011, resulting in a year-end Net OPEB obligation of $5,872,798. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the School District's June 30, 2011 financial statements. See also, "Part 4 – The School Districts – Financial Factors – GASB and OPEB."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's revenues exceeded its expenditures by $823,704 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unassigned General Fund balance of $2,190,795 at the end of the fiscal year. The

District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also, “PART 4 – THE SCHOOL DISTRICTS – Financial Factors – State Aid.”

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District’s debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$ 3,786,703	$ 0	$3,786,703
2012-2013	3,748,543	1,051,545	4,800,088
2013-2014	3,714,623	1,053,900	4,768,523
2014-2015	3,574,865	1,055,450	4,630,315
2015-2016	3,535,676	1,046,400	4,582,076
2016-2017	3,487,899	1,047,050	4,534,949
2017-2018	3,456,931	1,047,100	4,504,031
2018-2019	3,419,077	1,049,700	4,468,777
2019-2020	2,385,619	1,046,100	3,431,719
2020-2021	1,786,888	1,051,500	2,838,388
2021-2022	1,762,813	1,045,500	2,808,313
2022-2023	324,600	1,045,500	1,370,100
2023-2024	327,600	1,053,500	1,381,100
2024-2025		1,049,000	1,049,000
2025-2026		1,047,500	1,047,500
2026-2027		783,750	783,750

APPENDIX C-7
DESCRIPTION OF
CATSKILL CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-7 a brief description of the Catskill Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District is located in the Towns of Catskill, Athens and Cairo in Greene County. The District covers approximately 15 square miles.

The District is the largest of the six public school districts located in Greene County. It is located in eastern New York State on the west side of the Hudson River approximately 30 miles south of the City of Albany and approximately 23 miles north of the City of Kingston.

The District is primarily rural and residential in nature with commercial, industrial and resort businesses which include two shopping centers, Lowe's, Wal-Mart, Home Depot, two cement plants and several resorts including the Friar Tuck Inn.

Many District residents work and commute to the Capital District Region and the City of Kingston area by way of the New York State Thruway and U.S. Route 9W where there are a wide range of employment opportunities. Passenger rail service is available at an Amtrak Station located in the City of Hudson, approximately 12 miles to the east over the Rip Van Winkle Bridge.

Population

The current estimated population of the District is 12,457 (2010 U.S. Census Bureau estimate).

Five Largest Employers

Name	Type	Employees
Catskill Central school District	Public Education	375
Wal-Mart	Retail Store	325
Eden Park Nursing Home	Nursing Home	150
Lehigh Portland Cement Co.	Cement Company	150
Price Chopper Supermarket	Supermarket	135

Five Largest Taxpayers

Name	Type	Full Valuation
Central Hudson Gas & Electric Corporation	Utility	$32,337,958
Niagara Mohawk Power Corp (National Grid)	Utility	27,089,919
Glens Falls Lehigh Cement Co	Manufacturer	20,032,504
Holcim (US) Inc.	Manufacturer	25,407,297
Catskill Realty Association Ltd.	Realty	19,380,762

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 11.59% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Greene County.

Year Average

	2007	2008	2009	2010	2011
Greene County	4.8%	5.9%	8.5%	8.6%	8.7%
New York State	4.5	5.3	8.4	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	1,768	1,780	1,763	1,775	1,780	1,780	1,785	1,790

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
166	Catskill Teacher' Association	June 30, 2012 (1)
143	Catskill School Unit CSEA	June 30, 2012 (1)
7	Catskill Administration	June 30, 2012 (1)
10	Management Confidential Employees	---
1	Superintendent	---
1	Assistant Superintendent for Business	---

(1) Currently under negotiations.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[(1)]

Full Valuation of Taxable Real Property	$1,074,954,653
Debt Limit (10% of Full Valuation)	107,495,465
Gross Indebtedness[(2)]	$44,165,000
Less: Exclusions – Estimated Building Aid[(3)]	0
Total Net Indebtedness	$44,165,000
Net Debt Contracting Margin	$63,330,465
Percentage of Debt Contracting Power Exhausted	41.09%

(1) The District has not incurred any indebtedness since the date of this table.

(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $1,415,000 School District Bonds to the Authority in connection with the refunding of $1,550,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[(1)]	Exclusions[(2)]	Net Indebtedness	% Within District	Applicable Net Indebtedness
Counties of:					
Greene	$26,969,118	$0	$26,969,118	18.22%	$4,913,773
Towns of:					
Catskill	1,049,895	226,628	823,357	98.85	813,799
Athens	0	0	0	27.05	0
Cairo	4,816,618	1,519,418	3,297,200	0.02	659
Villages of:					
Catskill	0	0	0	100.00	0
Athens	3,537,377	2,329,546	1,207,831	100.00	1,270,831
				Total	$6,936,063

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.

(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012

Debt Ratios
As of May 15, 2012[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$44,165,000	$3,545.40	4.11%
Gross Indebtedness Plus Net Overlapping Indebtedness	51,101,063	4,102.20	4.75

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 12,457.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $1,074,954,653.
(4) The District expects to deliver $1,415,000 School District Bonds to the Authority in connection with the refunding of $1,550,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already included in Gross Indebtedness above.

Cash Flow Borrowing

The District, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes.

Capital Project Plans

On January 11, 2005, the voters approved a $16,715,000 capital project consisting of reconstruction of various District buildings. The District received approval of final plans and specifications in May, 2006. Construction began in June, 2006 and the first three phases are completed The District issued serial bonds in the amount of $12,715,000 on June 15, 2007 to permanently finance a portion of the project. The District issued $1,550,000 bond anticipation notes on November 22, 2011 as the fourth borrowing against said authorization.

On March 13, 2007, the voters approved a second $16,715,000 capital project consisting of construction of additions to and reconstruction of various District buildings. Phase I was completed. Phase II began in June 2008 and was completed by February 2009. Phase III began in September 2008 and was completed by December 2009. The anticipated project amount is $16,715,000 and will be partially funded by EXCEL aid. The School District issued bond anticipation notes on September 26, 2007 in the amount of $8,000,000 as the first borrowing of said authorization (the "2007 Notes"). The District renewed the 2007 Notes on September 25, 2008 and issued $7,000,000 in new monies (the "2008 Notes") as the second borrowing against said authorization. The School District renewed the 2008 Notes on September 24, 2009, and renewed the 2009 Notes on September 23, 2010 (the "2010 Notes"). On December 8, 2010, the School District issued $1,550,000 bond anticipation notes as the third borrowing against said authorization. On September 22, 2011, the School District renewed $13,629,881 bond anticipation notes which matured on December 29, 2011. On December 15, 2011, the School District issued $13,495,000 serial bonds through the Dormitory Authority of the State of New York to permanently finance this project.

The District has no other projects authorized or contemplated at this time.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Catskill Central School District
http://emma.msrb.org/IssuerView/IssuerDetails.aspx?cusip=149381
Base CUSIP: 149381

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2nd to November 1st. On or about November 15th, uncollected taxes are returnable to the Counties for collection. The District receives this amount from said Counties prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by the Counties.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Catskill	$571,948,882	$572,892,059	$575,538,185	$575,443,632	$569,304,427
Athens	86,961,184	80,807,512	80,537,624	80,982,968	82,325,902
Cairo	106,200	106,200	106,200	106,200	106,200
Total Assessed Valuation	$659,016,266	$653,805,771	$656,182,009	$656,532,800	$651,736,529

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Catskill	62.47%	58.00%	58.00%	59.80%	60.30%
Athens	65.25	60.00	58.50	60.25	63.00
Cairo	60.50	57.05	59.50	63.25	67.00
Taxable Full Valuation	$1,049,007,061	$1,122,610,268	$1,130,156,855	$1,096,859,791	$1,074,954,653

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$15,512,300	$15,706,237	$15,793,320	$16,035,733	$16,222,564
% Uncollected When Due[1]	8.55%	9.57%	12.49%	9.98%	N/A

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[1]	Total Revenues[1]	Percentage of Total Revenues Consisting of State Aid[1]
2007-2008	$14,046,013	$32,453,960	43.28%
2008-2009	15,122,325	34,586,690	43.72
2009-2010	14,135,428	35,304,322	40.04
2010-2011	14,950,900	35,756,972	41.81
2011-2012 (Budgeted)	14,622,078	34,530,626	42.35
2012-2013 (Budgeted)	15,236,042	35,283,379	43.18

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$224,067	$999,729
2008-2009	150,049	997,144
2009-2010	190,288	723,196
2010-2011	357,579	1,077,141
2011-2012 (Budgeted)	406,364	1,425,158
2012-2013 (Budgeted)	653,830	1,564,949

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Raymond G. Preusser, CPA, P.C., to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2011, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $26,9750,749. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $26,950,749. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $4,245,197. The District's annual OPEB expense was $2,939,959 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $661,836 to the Plan for the fiscal year ending June 30, 2011 to 278 employees, resulting in a net increase to its unfunded OPEB obligation of $2,278,123, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $6,523,320. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's revenues exceeded its expenditures by $1,529,081 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $2,423,834 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness[(1)]

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$1,548,000	$ 0	$1,548,000
2012-2013	2,200,000	140,876	2,340,876
2013-2014	2,455,000	139,550	2,594,550
2014-2015	2,539,000	141,550	2,680,550
2015-2016	2,649,000	142,550	2,791,550
2016-2017	2,759,000	143,300	2,902,300
2017-2018	2,874,000	143,800	3,017,800
2018-2019	2,986,000	144,050	3,130,050
2019-2020	3,115,000	139,050	3,254,050
2020-2021	3,259,000	144,050	3,403,050
2021-2022	3,400,000	143,550	3,543,550
2022-2023	1,978,000	142,800	2,120,800
2023-2024	1,959,000	141,800	2,100,800
2024-2025	1,318,000	140,550	1,458,550
2025-2026	1,340,000	139,050	1,479,050
2026-2027	1,403,000		1,403,000
2027-2028	1,473,000		1,473,000
2028-2029	1,545,000		1,545,000
2029-2030	1,395,000		1,395,000
2030-2031	205,000		205,000
2031-2032	215,000		215,000

(1) Schedule does not include remaining payments of $413,368 due under an energy performance contract.

APPENDIX C-8
DESCRIPTION OF
CATTARAUGUS-LITTLE VALLEY CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-8 a brief description of the Cattaraugus-Little Valley Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

On July 1, 2000 the Cattaraugus Central School District annexed the Little Valley Central School District to form Cattaraugus-Little Valley Central School District. The District is located in the southwest sector of New York State, with a land area of 183 square miles, approximately 50 miles south of the City of Buffalo and 20 miles north of the City of Jamestown. The District is comprised of portions of the Towns of Dayton, East Otto, Leon, Little Valley, Mansfield, Napoli, New Albion, Otto and Persia in Cattaraugus County (the "County").

Major highways serving the District or within close proximity include US Routes #62 and #39, State Route 17 and Interstate Route #90 (The New York State Thruway). Amtrak provides railway transportation with a station located in Depew. The Greater Buffalo International Airport affords District residents air transportation.

The District is rural in character with several residential sections of predominantly single-family homes. Various retail and commercial centers in and around the City of Buffalo and the City of Jamestown accommodate residents with their shopping requirements and employment opportunities.

Police protection is furnished by State, County and Village of Cattaraugus agencies and fire protection is provided by local volunteer units.

Population

The current estimated population of the District is 6,668 (2010 U.S. Census Bureau estimate).

Five Largest Employers[(1)]

Name	Type	Employees
Salamanca City School District	School District	296
Cattaraugus-Little Valley Central School District	School District	186
Seneca Allegany Casino	Casino	Over 100
Holiday Valley Ski Resort	Skiing/Golfing Resort	Over 100
Ellicottville Central School District	School District	100

[(1)] Within or in close proximity to the District.

Five Largest Taxpayers

Name	Type	Full Valuation
National Grid	Utility	$5,724,809
National Fuel Gas Supply	Utility	4,147,789
National Fuel Gas Distribution	Utility	4,139,781
Verizon	Utility	1,988,090
Rod & Gun Club of Little Valley	Commercial	1,438,068

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 5.84% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Cattaraugus County.

Year Average

	2007	2008	2009	2010	2011
Cattaraugus County	5.2%	6.1%	8.7%	9.1%	8.7%
New York State	4.5	5.3	8.4	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	1,067	1,050	1,067	1,086	1,055	1,054	1,030	1,030

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
109	Cattaraugus-Little Valley Teachers' Association	June 30, 2013
67	Cattaraugus-Little Valley Classified Employees' Association	June 30, 2013
19	Cattaraugus-Little Valley Bus Drivers' Unit	June 30, 2012 (1)

(1) Currently under negotiations.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[(1)]

Full Valuation of Taxable Real Property	$340,444,745
Debt Limit (10% of Full Valuation)	34,044,474
Gross Indebtedness[(2)]	$52,480,765
Less: Exclusions – Estimated Building Aid[(3)]	44,901,494
Total Net Indebtedness	$7,579,271
Net Debt Contracting Margin	$26,465,203
Percentage of Debt Contracting Power Exhausted	22.26%

(1) The District has not incurred any indebtedness since the date of this table.

(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $17,560,000 School District Bonds to the Authority in connection with the refunding of $17,851,998 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the percentage of debt contracting power exhausted by the amount of new money being issued.

(3) Represents estimate of moneys receivable by the District from the State as an apportionment for debt service for school building purposes.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit		Outstanding Indebtedness[(1)]	Exclusions[(2)]	Net Indebtedness	% Within School District	Applicable Net Indebtedness
County of:	Cattaraugus	$51,432,904	$12,903	$51,420,001	8.27%	$4,252,434
Towns of:	Dayton	30,000	30,000	0	10.41	0
	East Otto	0	0	0	80.08	0
	Leon	243,677	0	243,677	9.24	22,516
	Little Valley	184,922	0	184,922	92.26	170,609
	Mansfield	100,000	0	100,000	34.32	34,320
	Napoli	74,688	0	74,688	44.31	33,094
	New Albion	188,000	188,000	0	99.12	0
	Otto	430,104	290,104	140,000	100.00	140,000
	Persia	0	0	0	7.59	0
Village of:	Little Valley	283,049	243,000	40,049	100.00	40,049
	Cattaraugus	1,653,375	1,359,375	294,000	100.00	294,000
					Total	$4,987,022

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.

(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$52,480,765	$7,870.54	15.42%
Gross Indebtedness Plus Net Overlapping Indebtedness	57,467,787	8,618.44	16.88

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 6,668.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $340,444,745.
(4) The District expects to deliver $17,560,000 School District Bonds to the Authority in connection with the refunding of $17,851,998 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the percentage of debt contracting power exhausted by the amount of new money being issued.

Cash Flow Borrowing

The District, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes

Capital Project Plans

In June 2007, the qualified voters of the School District approved a Capital Project at a total estimated cost of $59 million. Of this amount, the issuance of $55,102,669 serial bonds has been authorized to provide reconstruction and additions to District facilities as well as the construction of a new bus garage. The School District issued $5.6 million bond anticipation notes on July 31, 2008 as the first borrowing against said authorization. Bond anticipation notes in the amount of $17.4 million were issued on June 17, 2009 as the second borrowing against said authorization. On July 30, 2009, the School District renewed $5.6 million bond anticipation notes and issued new monies in the amount of $9,166,911 for the Capital Project as the third borrowing against said authorization. The School District issued bond anticipation notes on June 16, 2010 which renewed $17.4 million bond anticipation notes and provided $9 million in new monies as the fourth borrowing against said authorization. On July 29, 2010, the School District issued $14,633,447 bond anticipation notes which renewed $14,766,911 bond anticipation notes maturing on July 30, 2010. The District issued $50,665,765 bond anticipation notes on June 16, 2011 which renewed $38,813,332 bond anticipation notes and provided $11,852,433 in new monies as the fifth borrowing against said authorization. The proceeds of the School District Bonds, along with $1,806,716 available funds, will partially redeem bond anticipation notes maturing on June 15, 2012 and provide $1,217,177 new monies as the sixth borrowing against said authorization.

Other than that listed above, there are no additional projects authorized at the present time, nor are any contemplated.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Cattaraugus-Little Valley Central School District
http://emma.msrb.org/ER589529-ER458282-ER861063.pdf
Base CUSIP: 14946N

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Tax payments are due on the first of September. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged for the next 30 days. On or about November 15th, uncollected taxes are returnable to the County for collection. The School District receives this amount from said County prior to the end of the School District's fiscal year, thereby assuring 100% tax collection annually.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

Years Ending June 30:		**2008**	**2009**	**2010**	**2011**	**2012**
Assessed Valuation:						
Towns of:	Dayton	$ 5,189,320	$ 5,232,678	$ 5,183,709	$ 5,241,354	$ 5,303,118
	East Otto	37,106,849	37,620,180	38,137,307	39,678,152	40,053,074
	Leon	2,577,467	2,583,680	2,571,187	2,637,763	4,657,761 (1)
	Little Valley	52,108,673	51,847,575	51,644,356	51,349,543	51,144,754
	Mansfield	31,898,545	33,746,746	37,520,079	37,917,632	37,729,078
	Napoli	15,498,936	15,388,145	15,663,178	15,805,078	15,551,878
	New Albion	55,781,330	56,175,909	57,823,572	57,569,989	57,786,472
	Otto	31,332,997	31,655,557	31,534,874	31,925,985	32,004,302
	Persia	4,288,660	4,336,522	4,384,982	4,572,332	4,941,272
Totals		$235,782,777	$238,586,992	$244,463,244	$246,697,828	$249,171,709

(1) Significant change due to revaluation.

State Equalization Rates
Years Ending June 30,

		2008	2009	2010	2011	2012
Towns of:	Dayton	85.00%	83.00%	80.00%	80.00%	80.00%
	East Otto	79.00	77.00	76.00	69.50	69.50
	Leon	68.00	66.00	64.00	61.00	100.00[1]
	Little Valley	82.00	76.00	74.00	70.00	70.00
	Mansfield	100.00	100.00	100.00	100.00	100.00
	Napoli	70.00	68.00	64.00	59.00	59.00
	New Albion	85.00	80.00	80.00	78.00	78.00
	Otto	82.00	79.00	73.40	59.50	59.50
	Persia	85.00	80.00	76.00	76.00	76.00
Taxable Full Valuation		$283,334,763	$299,384,203	$313,473,470	$339,510,172	$340,444,745

[1] Significant change due to revaluation.

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$4,820,432	$4,973,722	$5,072,825	$5,074,825	$5,237,063
% Uncollected When Due[1]	8.50%	8.71%	9.88%	9.12%	9.03%

[1] See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and up-coming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[1]	Total Revenues[1]	Percentage of Total Revenues Consisting of State Aid[1]
2007-2008	$12,294,226	$17,606,370	69.83%
2008-2009	13,198,367	18,668,599	70.70
2009-2010	13,234,814	19,265,152	68.70
2010-2011	15,792,907	21,544,173	73.30
2011-2012 (Budgeted)	15,264,088	20,937,235	72.90
2012-2013 (Proposed)	16,064,858	22,225,985	72.28

[1] General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$191,471	$549,307
2008-2009	169,670	623,354
2009-2010	178,354	568,543
2010-2011	283,565	473,138
2011-2012 (Budgeted)	356,420	621,915
2012-2013 (Budgeted)	473,800	800,000

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Alliance Benefit Group to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2011, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $1,692,637. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $1,692,637. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $120,367. The District's annual OPEB expense was $172,391 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $(156,375) to the Plan for the fiscal year ending June 30, 2011 to 231 employees (active and retirees), resulting in a net increase to its unfunded OPEB obligation of $16,016, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $136,383. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's expenditures exceeded its revenues by $571,121 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $1,963,620 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$ 504,093	$ 0	$ 504,093
2012-2013	424,914	1,531,271	1,956,185
2013-2014	343,237	1,536,975	1,880,212
2014-2015	228,380	1,536,375	1,764,755
2015-2016	157,095	1,531,625	1,688,720
2016-2017	156,150	1,530,125	1,686,275
2017-2018		1,531,625	1,531,625
2018-2019		1,530,875	1,530,875
2019-2020		1,532,875	1,532,875
2020-2021		1,532,375	1,532,375
2021-2022		1,534,375	1,534,375
2022-2023		1,533,625	1,533,625
2023-2024		1,530,125	1,530,125
2024-2025		1,533,875	1,533,875
2025-2026		1,064,375	1,064,375
2026-2027		1,092,825	1,092,825
2027-2028		367,275	367,275
2028-2029		363,700	363,700
2029-2030		364,950	364,950
2030-2031		365,850	365,850
2031-2032		366,400	366,400
2032-2033		366,600	366,600
2033-2034		365,000	365,000
2034-2035		363,000	363,000
2035-2036		365,600	365,600
2036-2037		367,600	367,600
2037-2038		364,000	364,000

APPENDIX C-9
DESCRIPTION OF
COPENHAGEN CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-9 a brief description of the Copenhagen Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District, with an area of approximately 160 square miles, is located in Jefferson and Lewis Counties approximately 25 miles southeast of the City of Watertown. The School District includes the incorporated Village of Copenhagen and part of the Towns of Champion, Rutland and Watertown in Jefferson County and part of the Towns of Denmark, Harrisburg and Pinckney in Lewis County.

The stable economy of the District is based on its diversified industry. In addition to being a well known dairy farming area, the surrounding area is noted for paper making, wooden specialty products, paper folding boxes, fiber shipping drums, paper making machinery, granite and memorial monuments and industrial chemicals.

Recent economic developments for the District include the construction of a wind farm in the Town of Harrisburg. Economic growth in the last two years includes the set-up of windmills (12 in number) in the District. A payment in lieu of tax agreement was entered into by Flat Rock Windpower, LLC and Flat Rock Windpower II, LLC providing for annual payments for the next 20 years to the District of approximately $206,000. Fort Drum's expansion has helped the District by a growth in the construction of new homes, and the District has experienced an increase in the number of military-related families. The farming industry still struggles to maintain its footing in the area, and there has been some growth in a few of the larger farms in the District.

Population

The current estimated population of the District is 2,874 (2010 U.S. Consensus Bureau estimate).

Five Largest Employers

Name	Type	Employees
Fort Drum	U.S. Army	23,077[(1)]
Samaritan Medical Center	Hospital	1,800
Jefferson County	Government	819
Stream International	Customer Relationship Management Services	700
Jefferson Rehabilitation Center	Rehabilitation Center for individuals with developmental disabilities	650

(1) This amount includes military and civilians. Both of those are expected to increase substantially with the increased number of troops stationed at the base. Due to military deployment, the actual number of personnel is frequently changing.

Five Largest Taxpayers

Name	Type	Full Valuation
WGS Copenhagen Housing Associates	Apartment Complex	$3,297,000
Kennel, Walter	Dairy Farm	1,268,300
Murcrest Farms, LLC	Dairy Farm	1,051,900
National Grid	Utility	917,595
Tylerville land Company, LLC	Dairy Farm	817,400

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 7.2% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) are Lewis and Jefferson Counties.

Year Average

	2007	2008	2009	2010	2011
Lewis County	5.5%	6.6%	9.0%	9.2%	9.5%
Jefferson County	5.5	6.8	9.0	9.6	9.7
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14	Projected 2014-15
K-12	598	545	530	520	500	490	480	480

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
49	Copenhagen Central School district Teachers' Association	June 30, 2011(1)
43	Copenhagen Central School District Support Staff Employees' Association	June 30, 2012(1)

(1) Currently under negotiations.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[1]

Full Valuation of Taxable Real Property	$168,397,928
Debt Limit (10% of Full Valuation)	16,839,793
Gross Indebtedness[2]	$16,104,707
Less: Exclusions – Estimated Building Aid[3]	0
Total Net Indebtedness	$16,104,707
Net Debt Contracting Margin	$735,086
Percentage of Debt Contracting Power Exhausted	95.63%

(1) The District has not incurred any indebtedness since the date of this table.
(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $9,605,000 School District Bonds to the Authority in connection with the refunding of $10,206,336 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.
(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
Counties of:					
Lewis	$18,387,115	$0	$18,387,115	3.80%	$698,710
Jefferson	20,560,000	0	20,560,000	0.84	172,704
Towns of:					
Denmark	730,000	0	730,000	41.03	299,519
Harrisburg	100,000	0	100,000	52.01	52,010
Pinckney	82,000	0	82,000	41.09	33,694
Champion	2,357,170	1,251,110	1,106,060	6.38	70,567
Rutland	5,026,703	1,903,703	3,123,000	29.92	934,402
Watertown	8,165,405	5,095,036	3,070,369	0.06	1,842
Village of:					
Copenhagen	2,263,335	2,163,335	100,000	100.00	100,000
				Total	2,363,448

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.
(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$16,104,707	$5,603.59	9.56%
Gross Indebtedness Plus Net Overlapping Indebtedness	18,468,155	6,425.94	10.97

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 2,874.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $168,397,928.
(4) The District expects to deliver $9,605,000 School District Bonds to the Authority in connection with the refunding of $10,550,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already accounted for in the above calculations.

Cash Flow Borrowing

The following is a history of Tax Anticipation Note ("TAN") and Revenue Anticipation Note ("RAN") borrowings for the last five years.

Fiscal Year	Amount	Type	Issue Date	Due Date
2007-2008	$1,000,000	RAN	09/13/07	09/12/08
2008-2009	1,000,000	RAN	09/12/08	09/11/09
2009-2010	500,000	RAN	09/10/09	09/10/10
2010-2011	500,000	RAN	09/10/10	09/09/11
2011-2012	500,000	RAN	09/02/11	08/31/12
2012-2013[1]	500,000	RAN	09/03/12	08/30/13

(1) Anticipated issuance.

Capital Project Plans

The District has no authorized and unissued indebtedness for capital or other purposes other than the issuance of the School District Bonds.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Copenhagen Central School District
http://emma.msrb.org/ER539114-ER417141-ER819030.pdf

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 1st to October 31st. On or about November 1st, uncollected taxes are returned to the Counties for collection. The District receives this amount from the Counties prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by said Counties.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Denmark	$49,820,541	$59,494,655	$61,688,866	$62,055,747	$61,774,427
Harrisburg	6,937,340	7,033,452	7,050,273	16,656,701 (1)	17,025,899
Pinckney	4,314,897	4,299,349	14,058,635	13,903,914	13,608,716
Champion	14,458,832	15,818,925	16,520,984	17,589,338	17,914,353
Rutland	36,683,366	37,010,582	37,190,088	37,455,322	37,920,816
Watertown	110,924	104,108	118,074	125,595	122,507
Total Assessed Valuation	$112,325,900	$123,761,071	$136,626,920	$147,786,617	$148,366,718

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Denmark	100.00%	100.00%	100.00%	100.00%	100.00%
Harrisburg	61.00	52.50	43.64	100.00 (1)	100.00
Pinckney	51.00	48.00	100.00	100.00	100.00
Champion	100.00	100.00	100.00	100.00	100.00
Rutland	80.00	74.00	71.00	67.00	65.50
Watertown	66.00	64.50	64.00	68.00	68.00
Taxable Full Valuation	$130,134,918	$147,843,316	$160,988,911	$166,293,864	$168,397,928

(1) Significant change from previous year due to town-wide revaluation.

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$1,321,446	$1,387,518	$1,415,269	$1,457,726	1,486,881
% Uncollected When Due(1)	7.8%	10.9%	12.9%	8.5%	9.2%

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[(1)]	Total Revenues[(1)]	Percentage of Total Revenues Consisting of State Aid[(1)]
2007-2008	$6,230,506	$8,140,860	76.53%
2008-2009	6,808,351	8,814,973	77.24
2009-2010	6,404,299	8,579,477	74.65
2010-2011	5,964,131	8,002,806	74.53
2011-2012 (Budgeted)	6,619,650	8,367,981	79.11
2012-2013 (Budgeted)	7,601,195	10,166,561	74.77

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$73,096	$281,396
2008-2009	79,974	275,576
2009-2010	77,579	179,593
2010-2011	108,856	248,588
2011-2012 (Budgeted)	148,542	268,192
2012-2013 (Budgeted)	200,000	315,200

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Harbridge Consulting Group to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2011, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $11,144,853 The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $11,144,853. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $708,559. The District's annual OPEB expense was $1,076,962, and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $226,120 to the Plan for the fiscal year ending June 30, 2011 to 86 employees, resulting in a net increase to its unfunded OPEB obligation of $850,842, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $1,559,401. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's revenues exceeded its expenditures by $54,602 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $867,465 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$770,995	$ 0	$ 770,995
2012-2013	765,076	880,626	1,645,702
2013-2014	768,338	882,712	1,651,050
2014-2015	771,357	879,038	1,650,395
2015-2016	537,082	881,938	1,419,020
2016-2017	535,951	878,938	1,414,889
2017-2018	534,213	880,038	1,414,251
2018-2019	533,476	880,138	1,413,614
2019-2020	541,357	879,238	1,420,595
2020-2021	537,401	882,238	1,419,639
2021-2022	542,845	880,438	1,423,283
2022-2023	457,175	883,438	1,340,613
2023-2024		879,563	879,563
2024-2025		882,238	882,238
2025-2026		881,963	881,963
2026-2027		442,069	442,069

APPENDIX C-10
DESCRIPTION OF
DOWNSVILLE CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-10 a brief description of the Downsville Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District is located in the southern central portion of New York State, approximately 60 miles northwest of the City of Monticello, 40 miles south of the City of Oneonta and 20 miles north of the Pennsylvania State border. Major highways of service to the School District include U. S. Route #17 and State Highways #30 and #206.

The District is a mix of residential and agricultural areas, with dairy farming being the most prevalent. The City of New York's water reservoir is located within the District and is the largest taxpayer (see "Five Largest Taxpayers" herein).

Water and sewer services within the District are provided by municipal systems located throughout the District, as well as by private wells and septic systems. Telephone service is provided by Citizens Telecommunications and electricity and natural gas is provided by the New York State Electric & Gas Corporation. Police protection is provided by a small local police force in addition to the Delaware County Sheriff's Department and the New York State Police Department and fire protection and ambulance service are provided by various volunteer organizations within the District.

Population

The current estimated population of the District is 2,176 (2010 U.S. Consensus Bureau estimate).

Five Largest Employers

Name	Type	Employees
Amphenol Corp.	Manufacturing	1,500
Mead Westvaco	Organizers/Planners	1,100
Granite Capital Holdings	Fuel/Gas Stations	650
Tyco Health Care	Pharmaceutical Preparations	750
SUNY Delhi	State University	500

Five Largest Taxpayers

Name	Type	Full Valuation
City of New York	Water System Utility	$431,025,843
The State of New York	State Land	12,230,330
NYSEG	Utility	6,384,083
Round-Up Ranch LLC	Park	1,983,749
King Roger G	Residence	1,668,421

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 61.6% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Delaware County.

Year Average

	2007	2008	2009	2010	2011
Delaware County	4.4%	5.9%	8.7%	8.9%	8.6%
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	332	312	295	293	289	291	290	290

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
43	Downsville Teachers' Association	June 30, 2013
38	Downsville support Staff Association	June 30, 2013

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[(1)]

Full Valuation of Taxable Real Property	$746,362,797
Debt Limit (10% of Full Valuation)	74,636,280
Gross Indebtedness[(2)]	$11,600,000
Less: Exclusions – Estimated Building Aid[(3)]	0
Total Net Indebtedness	$11,600,000
Net Debt Contracting Margin	$63,036,280
Percentage of Debt Contracting Power Exhausted	15.54%

(1) The District has not incurred any indebtedness since the date of this table.
(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $11,320,000 School District Bonds to the Authority in connection with the refunding of $10,908,440 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.
(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[(1)]	Exclusions[(2)]	Net Indebtedness	% Within District	Applicable Net Indebtedness
County of:					
Delaware	$21,975,000	$0	$21,975,000	12.62%	$2,773,245
Towns of:					
Andes	4,070,382	629,715	3,440,667	1.51	51,954
Colchester	200,513	200,513	0	88.53	0
Hamden	225,576	225,576	0	22.03	0
Hancock	1,730,132	1,730,132	0	14.09	0
Tompkins	0	0	0	1.18	0
Walton	0	0	0	2.69	0
				Total	$2,825,199

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.
(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$11,600,000	$5,330.88	1.55%
Gross Indebtedness Plus Net Overlapping Indebtedness	14,425,199	6,629.23	1.93

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 2,176
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $746,362,797
(4) The District expects to deliver $11,320,000 School District Bonds to the Authority in connection with the refunding of $10,908,440 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already accounted for in the above calculations.

Cash Flow Borrowing

The District, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes.

Capital Project Plans

The District has no authorized and unissued indebtedness for capital or other purposes other than the issuance of the School District Bonds.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Downsville Central School District
http://emma.msrb.org/ER546259-ER423094-ER825205.pdf
Base CUSIP: 261135

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charged during the month of September, but a 2% penalty is charged from October 1st to October 31st. On or about November 1st, uncollected taxes plus penalties are returned to the County. The School District receives these amounts from the County prior to the end of the School District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by the County.

Approximately 15% of the full valuation of the School District is comprised of State-owned forest lands. State tax payments on such lands generally are received after the current collection period, but always in the same fiscal year as the year of their levy.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Andes	$914,817	$7,499,579	$7,267,965	$6,626,600	$6,554,682
Colchester	22,042,299	22,081,699	22,097,911	22,109,174	22,123,611
Hamden	5,946,847	5,990,880	6,144,591	6,304,419	6,305,906
Hancock	7,365,057	7,504,394	7,547,501	7,548,955	7,587,850
Tompkins	83,743	83,743	83,743	84,943	87,443
Walton	2,641,947	2,673,660	2,698,361	2,657,482	2,642,307
Total Assessed Valuation	$38,994,710	$45,833,955	$45,840,072	$45,331,573	$45,301,799

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Andes	17.00%	100.00%(1)	100.00%	100.00%	100.00%
Colchester	3.82	3.66	3.49	3.47	3.47
Hamden	16.83	16.86	18.15	17.75	18.00
Hancock	15.64	13.73	13.99	15.00	13.62
Tompkins	3.73	3.58	3.64	4.59	4.46
Walton	27.47	25.94	26.66	28.65	27.71
Taxable Full Valuation	$676,693,461	$713,660,979	$740,671,699	$740,749,098	$746,362,797

(1) Significant change from prior year due to town-wide revaluation.

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$6,737,892	$6,871,539	$6,940,619	$7,042,882	$7,180,621
% Uncollected When Due[(1)]	0.00%	0.00%	0.00%	0.00%	0.00%

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[(1)]	Total Revenues[(1)]	Percentage of Total Revenues Consisting of State Aid[(1)]
2007-2008	$ 1,549,830	$ 8,651,492	17.91%
2008-2009	1,665,499	8,762,136	19.01
2009-2010	1,488,307	8,833,924	16.85
2010-2011	1,362,525	8,677,245	15.70
2011-2012 (Budgeted)	1,738,359	8,969,480	19.38
2012-2013 (Budgeted)	1,580,327	8,911,148	17.73

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$81,153	$207,958
2008-2009	60,986	164,973
2009-2010	72,779	214,567
2010-2011	131,258	215,184
2011-2012 (Budgeted)	169,215	231,245
2012-2013 (Budgeted)	210,000	235,000

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Questar BOCES to calculate its “other post-employment benefits” (“OPEB”) plan (the “Plan”) in accordance with GASB 45. As of June 30, 2011, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees’ service rendered to the measurement date, is $19,640,381. The actuarial value of the Plan’s assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $19,640,381. For the fiscal year ending June 30, 2011, the District’s beginning year Net OPEB obligation was $1,289,920. The District’s annual OPEB expense was $1,953,587 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $564,449 to the Plan for the fiscal year ending June 30, 2011 to 55 employees, resulting in a net increase to its unfunded OPEB obligation of $1,389,138, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $2,679,058. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District’s June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also “PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*.”

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District’s expenditures exceeded its revenues by $2,763,861 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $487,946 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also “PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*.”

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$ 0	$ 0	$ 0
2012-2013	0	733,309	733,309
2013-2014	0	732,800	732,800
2014-2015	0	730,100	730,100
2015-2016	0	732,300	732,300
2016-2017	0	729,300	729,300
2017-2018	0	731,200	731,200
2018-2019	0	732,900	732,900
2019-2020	0	733,338	733,338
2020-2021	0	732,463	732,463
2021-2022	0	730,781	730,781
2022-2023	0	733,269	733,269
2023-2024	0	734,169	734,169
2024-2025	0	729,619	729,619
2025-2026	0	549,150	549,150
2026-2027	0	548,425	548,425
2027-2028	0	547,375	547,375
2028-2029	0	550,125	550,125
2029-2030	0	547,350	547,350
2030-2031	0	549,225	549,225
2031-2032	0	550,575	550,575
2032-2033	0	546,400	546,400
2033-2034	0	549,800	549,800
2034-2035	0	547,400	547,400
2035-2036	0	549,400	549,400
2036-2037	0	545,600	545,600
2037-2038	0	546,200	546,200
2038-2039	0	546,000	546,000

APPENDIX C-11
DESCRIPTION OF
FABIUS-POMPEY CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-11 a brief description of the Fabius-Pompey Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District is located in upstate New York, in the Counties of Onondaga, Cortland and Madison. The District's physical facilities are located in the Village of Fabius, which is approximately 15 miles south of the City of Syracuse and approximately 20 miles north of the City of Cortland. The District, with an approximate land area of 124 miles, is composed predominantly of rural towns with many District residents commuting to the nearby Cities of Syracuse and Cortland for employment.

Interstate Expressway #81 is in close proximity to the District. Major east-west thoroughfares intersecting the District include New York Routes 20 and 80. The District is served by Greyhound Bus Lines and by the Syracuse Transportation Company's shuttle bus. Air service is provided by the Syracuse Hancock International Airport.

Electricity and natural gas are provided by Niagara Mohawk Power Corporation and telephone service is provided by Verizon (formerly Bell Atlantic). The District utilizes the services of various banks located in the Syracuse region.

The Syracuse Post Standard and The Cortland Standard are the major newspapers serving the School District.

Police services are provided by the New York State Police Department and the Onondaga, Madison and Cortland Counties Sheriff's Departments.

Population

The current estimated population of the District is 4,823 (2010 U.S. Consensus Bureau estimate).

Five Largest Employers

Name	Type	Employees
Pompey Club	Golf Course	25
Toggenburg Ski Center	Ski Center	25
VanErden Farms	Farm	20
Barbland Farms	Farm	15
Pompey Mall	Convenience Store	8

Five Largest Taxpayers

Name	Type	Full Valuation
National Grid	Utility	$8,470,452
VanErden Farms	Farm	5,152,300
State of New York	State Land	3,578,500
Tennessee Gas	Utility	2,952,470
Barbland Farms	Farm	2,129,900

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 9.4% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest areas for which such statistics are available (which includes the District) are Onondaga, Cortland, and Madison Counties.

Year Average

	2007	2008	2009	2010	2011
Onondaga County	4.1%	5.2%	7.7%	8.1%	7.7%
Cortland County	5.3	6.4	9.2	9.0	8.4
Madison County	4.7	5.7	8.2	8.3	8.1
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012—12	Projected 2013-14	Projected 2014-15
K-12	877	859	855	845	786	775	770	765

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
109	Fabius-Pompey Education Association	June 30, 2013
27	Fabius-Pompey CSD Transportation Association	June 30, 2013
32	Non-Instructional Employees' Organization	June 30, 2012 (1)

(1) Currently under negotiation.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[1]

Full Valuation of Taxable Real Property	$296,410,868
Debt Limit (10% of Full Valuation)	29,641,087
Gross Indebtedness[2]	$22,733,000
Less: Exclusions – Estimated Building Aid [3]	0
Total Net Indebtedness	$22,733,000
Net Debt Contracting Margin	$6,908,087
Percentage of Debt Contracting Power Exhausted	76.69%

(1) The District has not incurred any indebtedness since the date of this table.

(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $1,915,000 School District Bonds to the Authority in connection with the refunding of $2,106,204 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness [1]	Exclusions [2]	Net Indebtedness	% Within School District	Net Indebtedness
County of:					
Onondaga	$ 404,489,472	$ 204,239,072	$ 200,250,400	1.13%	$ 2,262,830
Cortland	20,510,000	0	20,510,000	0.47	96,397
Madison	16,390,000	0	16,390,000	0.02	3,278
Towns of:					
Pompey	659,000	0	659,000	30.78	202,840
Fabius	0	0	0	81.98	0
LaFayette	715,000	0	715,000	1.59	11,369
Cuyler	35,545	12,000	23,545	18.57	4,372
Cazenovia	612,462	151,011	461,451	0.12	554
Village of:					
Fabius	0	0	0	100.00	0
				Total	$ 2,581,640

(1) Bonds and bond anticipation notes, as of close of last respective fiscal year adjusted to include subsequent bond sales, if any.
(2) Sewer and Water Debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012

Debt Ratios
As of May 15, 2012[1]

	Amount	Per Capita [2]	Percentage of Full Value [3]
Gross Indebtedness[4]	$22,733,000	$ 4,713.46	7.67%
Gross Indebtedness Plus Net Overlapping Indebtedness	25,314,640	5,248.73	8.54

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 4,823
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-2012 of $296,410,867.
(4) The District expects to deliver $1,915,000 School District Bonds to the Authority in connection with the refunding of $2,106,204 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already accounted for in the above calculations.

Cash Flow Borrowing

The following is a history of Tax Anticipation Note ("TAN") and Revenue Anticipation Note ("RAN") borrowings for the last five years.

Fiscal Year	Amount	Type	Issue Date	Due Date
2006-2007	$900,000	RAN	7/19/2006	6/28/2007
2007-2008	900,000	RAN	7/6/2007	6/28/2008
2008-2009	N/A	N/A	N/A	N/A
2009-2010	N/A	N/A	N/A	N/A
2010-2011	N/A	N/A	N/A	N/A

The District has not issued Tax or Revenue Anticipation Notes for the last three fiscal years and does not expect to issue such notes in the current fiscal year

Capital Project Plans

The District has no authorized and unissued indebtedness for capital or other purposes other than the issuance of the School District Bonds.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") and are incorporated by reference herein.

Fabius-Pompey Central School District
http://emma.msrb.org/EP596856-EP466772-EP866845.pdf
Base CUSIP: 302837

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 1st to October 31st. On or about November 15th, uncollected taxes are returnable to the Counties of Onondaga, Cortland and Madison for collection. The School District receives this amount from said Counties prior to the end of the School District's fiscal year, thereby assuring 100% tax collection annually.

Valuations and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Pompey	$ 165,492,648	$ 166,883,497	$ 167,843,410	$ 167,871,515	$ 170,162,486
Fabius	82,721,953	83,246,776	84,325,255	84,325,848	85,421,270
LaFayette	4,759,875	4,801,331	4,822,196	4,737,970	4,935,775
Cuyler	7,259,156	7,315,327	7,481,747	7,491,737	7,321,499
Cazenovia	641,009	640,917	640,940	605,787	638,146
Total Assessed Valuation	$ 260,874,641	$ 262,887,848	$ 265,113,548	$ 265,032,857	$ 268,479,176

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Pompey	95.00%	91.00%	91.00%	91.00%	91.00%
Fabius	95.00	91.00	91.00	91.00	91.00
LaFayette	93.00	93.00	98.00	93.00	90.00
Cuyler	84.00	96.00	70.00	75.00	79.00
Cazenovia	81.00	78.00	76.50	83.00	80.00
Taxable Full Valuation	$275,829,894	$288,472,974	$293,555,071	$292,953,397	$296,410,868

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$7,104,222	$7,316,980	$7,316,980	$7,481,264	7,743,367
% Uncollected When Due(1)	7.8%	6.8%	7.4%	7.9%	6.9%

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past five completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid

Fiscal Year	Total State Aid [(1)]	Total Revenues [(1)]	Percentage of Total Revenues Consisting of State Aid [(1)]
2006-07	$ 7,468,957	$ 15,084,852	49.51%
2007-08	8,237,647	15,983,818	51.54
2008-09	8,736,086	16,540,801	52.82
2009-10	8,009,910	16,471,993	48.63
2010-11	7,789,328	15,961,384	48.80
2011-12 (Budgeted)	7,529,030	16,247,352	46.34
2012-13 (Budgeted)	7,786,617	16,322,869	47.70

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Year	ERS	TRS
2007-2008	$ 138,936	$ 509,768
2008-2009	130,240	544,084
2009-2010	102,728	343,310
2010-2011	178,819	476,319
2011-2012 (Budgeted)	268,067	642,308
2012-2013 (Budgeted)	297,215	691,168

GASB 45 and OPEB

The District contracted with OCM BOCES to calculate its "other post-employment benefits" ("OBEP") in accordance with GASB 45. As of July 1, 2010, the actuarial accrued liability for benefits was $35,772,755, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of $35,772,755. The School District's annual OPEB cost was $3,280,608 and is equal to the annual required contribution (ARC). The School District is on a pay-as-you-go funding basis and paid $852,297 to the Plan for the fiscal year ending June 30, 2011 resulting in a year-end Net OPEB obligation of $8,749,187. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the School District's June 30, 2011 financial statements. See also, "Part 4 – The School Districts – Financial Factors – GASB and OPEB."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's revenues exceeded its expenditures by $29,789 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $562,892 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also, "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – State Aid."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$ 2,599,552	$ 0	$2,599,552
2012-2013	3,138,281	184,383	3,322,664
2013-2014	2,609,609	186,075	2,795,684
2014-2015	2,542,652	187,075	2,729,727
2015-2016	2,398,276	186,825	2,585,101
2016-2017	2,091,862	186,325	2,278,187
2017-2018	2,054,836	185,575	2,240,411
2018-2019	2,049,453	184,575	2,234,028
2019-2020	1,797,076	183,325	1,980,401
2020-2021	1,784,703	186,825	1,971,528
2021-2022	1,788,707	184,825	1,973,532
2022-2023		187,575	187,575
2023-2024		184,825	184,825
2024-2025		186,825	186,825
2025-2026		188,325	188,325
2026-2027		92,925	92,925

APPENDIX C-12
DESCRIPTION OF
MEXICO CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-12 a brief description of the Mexico Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District is located in upstate New York in the central sector of Oswego County, and covers a land area of approximately 100 square miles. The District is approximately 25 miles north of the City of Syracuse. The western border of the District is within four miles of the City of Oswego. Main highways serving the District include New York State Routes #3, #11, #69 and #104, as well as Interstate Highway #81 which extends south from the Canadian border through Pennsylvania.

The District encompasses all or portions of the Towns of Hastings, Mexico, New Haven, Palermo, Parish, Richland, Scriba and Volney and the Village of Mexico. The Village of Mexico is the shopping and commercial center of the District. The District is largely suburban-rural in character with some small industry, including Grandma Brown's Beans, Inc. processing plant. Agricultural enterprises include dairy farming as well as fruit and vegetable production.

Police protection is provided by State, County and Village agencies. Fire protection is provided by various volunteer fire departments. Gas and electricity are provided by National Grid.

Population

The current estimated population of the District is 12,290 (2010 U.S. Consensus Bureau estimate).

Five Largest Employers

Name	Type	Employees
Oswego State University	University	4,030
County of Oswego	Government	1,033
Constellation Energy Group	Utility	899
Wal-Mart	Retail	840
Central Square Central School District	Education	818

Five Largest Taxpayers

Name	Type	Full Valuation
Entergy	Power	$800,869,000[(1)]
National Grid	Utility	48,085,770
Verizon Communications	Utility	3,133,314
Sharkey, John F. III	Residential	1,391,100
Time Warner Cable	Utility	1,334,585

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 63.2% of the tax base of the District.

(1) Filed tax certiorari. The potential liability to the District may be in excess of $5,000,000 for the 2011-12 tax year. The District is currently defending the proceeding, which is still early in the discovery phase.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Oswego County.

Year Average

	2007	2008	2009	2010	2011
Oswego County	5.7%	6.9%	10.0%	10.8%	10.3%
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2006-07	2007-08	2008-09	2009-10	2010-11	Projected 2011-12	Projected 2012-13	Projected 2013-14
K-12	2,548	2,586	2,462	2,329	2,233	2,216	2,185	2,185

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
266	Mexico Faculty Association	June 30, 2012[1]
10	Mexico Association of Supervisors and Administrators	June 30, 2011[1]
22	Mexico Full Time Secretarial and Office Staff Association	June 30, 2012[1]
154	Mexico CSEA, Local 1000, AFSCME/AFL-CIO	June 30, 2013

(1) Currently under negotiations.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012 [1]

Full Valuation of Taxable Real Property	$1,361,447,966
Debt Limit (10% of Full Valuation)	136,144,797
Gross Indebtedness[2]	$27,005,000
Less: Exclusions – Estimated Building Aid[3]	0
Total Net Indebtedness	$27,005,000
Net Debt Contracting Margin	$109,139,797
Percentage of Debt Contracting Power Exhausted	19.84%

(1) The District has not incurred any indebtedness since the date of this table.
(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $13,650,000 School District Bonds to the Authority in connection with the refunding of $15,170,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.
(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
County of:					
Oswego	$20,660,000	$0	$20,660,000	10.76%	$2,233,016
Towns of:					
Hastings	13,980,476	11,891,697	2,088,779	1.00	20,888
Mexico	7,155,457	6,636,288	519,169	95.89	497,831
New Haven	11,011,116	10,011,116	1,000,000	100.00	1,000,000
Palermo	72,930	72,930	0	70.70	0
Parish	0	0	0	0.17	0
Richland	14,366,096	14,366,096	0	7.55	0
Scriba	15,749,657	15,749,657	0	16.97	0
Volney	8,363,778	5,581,778	5,581,778	6.82	189,732
				Total	$3,931,467

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.
(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012[(1)]

	Amount	Per Capita[(2)]	Percentage of Full Value[(3)]
Gross Indebtedness[(4)]	$27,005,000	$2,197.31	1.98%
Gross Indebtedness Plus Net Overlapping Indebtedness	30,936,467	2,517.21	2.27

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 12,290.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $1,361,447,966.
(4) The District expects to deliver $13,650,000 School District Bonds to the Authority in connection with the refunding of $15,170,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already included in Gross Indebtedness above.

Cash Flow Borrowing

The District issued $5,000,000 of Revenue Anticipation Notes in the 2003 fiscal year, The District has not issued any such notes since that time, and does not expect to issue any such notes in the current fiscal year.

Capital Project Plans

The District has received voter authorization to spend $23,931,246 toward a capital project. Renovations and construction began in 2010 and is expected to be completed in 2012. To date, the District has issued $16,130,000 bond anticipation notes which are currently outstanding. On May 15, 2012, the District received voter authorization to spend $3,877,420 toward a capital project. Additional borrowings will occur in the future to meet construction cash flow needs.

The District annually authorizes bus purchases in May and finances them via serial bonds early the following year.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Mexico Central School District
http://emma.msrb.org/ER539358-ER417345-ER819244.pdf
Base CUSIP: 593031

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Real property tax payments are due September 1 of each year. There is no penalty charge for the first thirty-four days after taxes are due, but a 2% penalty for the next twenty-seven days. On November 15th, uncollected taxes are returnable to the County tax enforcement officer who is required to enforce collection of such unpaid taxes. The District receives the uncollected balance of its tax levy in full from the County before the end of the school year. Responsibility for the collection of unpaid taxes rests with the County.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Hastings	$3,856,560	$4,299,415	$4,243,311	$4,290,335	$4,324,706
Mexico	214,069,753	214,054,665	225,825,949	228,001,364	227,118,891
New Haven	123,263,521	123,837,985	133,465,573	133,812,207	132,313,020
Palermo	86,562,205	91,597,480	96,528,190	97,767,775	101,291,020
Parish	127,387	127,602	139,702	131,422	191,489
Richland	19,501,613	20,994,238	20,848,388	20,972,072	20,932,774
Scriba	51,626,364	52,797,212	52,460,812	53,946,557(1)	854,433,492(1)
Volney	17,284,458	16,869,107	16,676,985	16,685,861	16,707,347
Total Assessed Valuation	$516,291,861	$524,577,704	$550,188,910	$555,607,593	$1,357,312,739

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Hastings	95.00%	100.00%	95.00%	100.00%	100.00%
Mexico	100.00	100.00	100.00	100.00	100.00
New Haven	100.00	100.00	100.00	100.00	100.00
Palermo	85.82	91.47	100.00	100.00	100.00
Parish	77.69	75.50	72.00	72.00	100.00
Richland	100.00	100.00	90.00	91.00	91.00
Scriba	100.00	100.00	100.00	100.00	100.00
Volney	95.00	92.00	88.00	90.00	89.00
Taxable Full Valuation	$531,743,762	$534,627,878	$555,057,193	$559,586,847	$1,361,447,966(1)

(1) Significant change from previous year due to Entergy being placed on Town of Scriba's tax roll upon expiration of a payment in lieu of tax agreement.

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$10,420,205	$10,655,548	$10,413,199	$10,713,199	$23,100,00
% Uncollected When Due[(1)]	10.49%	10.11%	10.83%	10.14%	3.79%

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[(1)]	Total Revenues[(1)]	Percentage of Total Revenues Consisting of State Aid[(1)]
2007-2008	$22,360,796	$37,934,204	58.95%
2008-2009	24,515,379	40,286,085	60.85
2009-2010	23,391,123	40,312,849	58.02
2010-2011	22,113,757	39,660,822	55.76
2011-2012 (Budgeted)	20,357,283	43,500,000	46.80
2012-2013 (Budgeted)	22,314,951	47,100,000	47.38

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$411,677	$1,431,077
2008-2009	374,874	1,485,962
2009-2010	344,868	1,423,536
2010-2011	541,142	1,155,011
2011-2012 (Budgeted)	810,000	1,821,339
2012-2013 (Budgeted)	963,900	2,216,163

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Capital Region BOCES to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2011, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $41,643,451. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $41,643,451. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $6,717,311. The District's annual

OPEB expense was $4,611,891 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $751,864 to the Plan for the fiscal year ending June 30, 2011 to 452 employees, resulting in a net increase to its unfunded OPEB obligation of $3,860,027, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $10,577,338. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's revenues exceeded its expenditures by $449,559 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $1,739,996 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$1,524,301	$ 0	$1,524,301
2012-2013	2,243,103	1,326,682	3,569,785
2013-2014	1,994,795	1,329,263	3,324,058
2014-2015	1,915,301	1,330,663	3,245,964
2015-2016	1,811,938	1,323,413	3,135,351
2016-2017	1,619,051	1,329,663	2,948,714
2017-2018	1,612,713	1,328,663	2,941,376
2018-2019	47,720	1,325,663	1,373,383
2019-2020	46,010	1,325,663	1,371,673
2020-2021	44,270	1,328,413	1,372,683
2021-2022	47,377	1,328,663	1,376,040
2022-2023	30,682	1,326,413	1,357,095
2023-2024		1,326,663	1,326,663
2024-2025		1,329,163	1,329,163
2025-2026		1,098,663	1,098,663
2026-2027		872,463	872,463

APPENDIX C-13
DESCRIPTION OF
ONONDAGA CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-13 a brief description of the Onondaga Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District is located in the central portion of upstate New York in the County of Onondaga. It is southwest, and in close proximity to the City of Syracuse. Situated in the Towns of Onondaga, Marcellus, LaFayette and Otisco, the District has a land area of approximately 75 square miles.

The District, as a suburb of the City of Syracuse, is typically residential with a number of small businesses and retail operations. Also included within the District are produce farms and apple orchards.

Population

The current estimated population of the District is 5,830 (2010 U.S. Consensus Bureau estimate).

Five Largest Employers in close proximity to the District

Name	Type	Employees
Upstate University Health System	Health Care	6,500-7,000
Syracuse University	Higher Education	6,500-7,000
Wegmans Food Markets	Supermarket	4,000-4,500
St. Joseph's Hospital Health Center	Health Care	3,000-3,500
Crouse Hospital	Health Care	2,500-3,000

Five Largest Taxpayers

Name	Type	Full Valuation
National Grid	Utility	$15,959,209
Dominion Transmission	Utility	3,402,450
Tennessee Gas Pipeline	Utility	2,995,059
Verizon, New York	Utility/Commercial	2,311,496
Lu Min LLC	Commercial	2,178,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 10.1% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Onondaga County.

Year Average

	2007	2008	2009	2010	2011
Onondaga County	4.1%	5.2%	7.7%	8.1%	7.7%
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14	Projected 2014-15
K-12	1,006	1,010	963	948	928	925	925	925

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
102	OCS Faculty Association	June 30, 2015
63	OCS Employees' Association	June 30, 2015

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012 (1)

Full Valuation of Taxable Real Property	$328,593,841
Debt Limit (10% of Full Valuation)	32,859,384
Gross Indebtedness(2)	$21,546,270
Less: Exclusions – Estimated Building Aid(3)	0
Total Net Indebtedness	$21,546,270
Net Debt Contracting Margin	$11,313,114
Percentage of Debt Contracting Power Exhausted	65.57%

(1) The District has not incurred any indebtedness since the date of this table.
(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $8,555,000 School District Bonds to the Authority in connection with the refunding of $9,435,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.
(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness(1)	Exclusions(2)	Net Indebtedness	% Within District	Applicable Net Indebtedness
County of:					
Onondaga	$404,489,472	$204,239,072	$200,250,400	1.29%	$2,583,230
Towns of:					
LaFayette	715,000	0	715,000	0.56	4,004
Marcellus	0	0	0	0.61	0
Onondaga	2,927,215	1,005,000	1,922,215	24.33	467,675
Otisco	0	0	0	0.91	0
				Total	3,054,909

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.
(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012 (1)

	Amount	Per Capita(2)	Percentage of Full Value(3)
Gross Indebtedness(4)	$21,546,270	$3,695.76	6.56%
Gross Indebtedness Plus Net Overlapping Indebtedness	24,601,179	4,219.76	7.49

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 5,830
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $328,593,841.
(4) The District expects to deliver $8,555,000 School District Bonds to the Authority in connection with the refunding of $9,435,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already accounted for in the above calculations.

Cash Flow Borrowing

The School District has not found it necessary to issues revenue anticipation notes or tax anticipation notes in the past, and there are presently no plans to issue such notes in the 2011-2012 school year.

Capital Project Plans

The District has no authorized and unissued indebtedness for capital or other purposes other than the issuance of the School District Bonds.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Onondaga Central School District
http://emma.msrb.org/EP596901-EP466822-EP866913.pdf

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2nd to November 1st. On or about November 15th, uncollected taxes are returnable to the County for collection. The District receives this amount from said County prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by the County.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
LaFayette	$1,685,255	$1,688,817	$1,692,114	$1,691,836	$1,732,748
Marcellus	1,784,174	2,354,300	2,430,466	2,453,725	2,547,163
Onondaga	295,089,138	310,625,911	316,884,019	321,034,737	322,344,434
Otisco	36,842	37,311	38,546	39,457	39,271
Total Assessed Valuation	$298,595,409	$314,706,339	$321,045,145	$325,219,755	$326,663,616

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
LaFayette	93.00%	93.00%	98.00%	93.00%	90.00%
Marcellus	82.00	100.00	99.00	100.00	100.00
Onondaga	100.00	100.00	100.00	100.00	100.00
Otisco	2.83	2.66	2.19	2.19	2.21
Taxable Full Valuation	$300,378,900	$316,198,812	$322,825,773	$327,109,330	$328,593,841

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$8,414,928	$8,839,655	$9,021,548	$9,141,126	9,272,600
% Uncollected When Due(1)	7.0%	7.7%	7.5%	6.6%	8.6%

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[1]	Total Revenues[1]	Percentage of Total Revenues Consisting of State Aid[1]
2007-2008	$7,343,748	$16,391,816	44.80%
2008-2009	8,850,544	18,156,001	48.75
2009-2010	7,692,984	18,683,038	41.18
2010-2011	7,785,670	17,699,032	43.99
2011-2012 (Budgeted)	7,683,439	18,109,742	42.43
2012-2013 (Budgeted)	8,511,527	18,748,922	45.40

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$129,308	$568,734
2008-2009	161,572	566,861
2009-2010	156,148	426,287
2010-2011	233,368	550,762
2011-2012 (Budgeted)	350,714	683,575
2012-2013 (Budgeted)	400,602	731,011

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Harbridge Consulting Group to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2011, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $4,742,256. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $4,742,256. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $616,001. The District's annual OPEB expense was $510,542, and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $34,932 to the Plan for the fiscal year ending June 30, 2011, resulting in a net increase to its unfunded OPEB obligation of $358,303, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $974,304. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's revenues exceeded its expenditures by $160,341 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $2,039,310 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$1,577,278	$ 0	$1,577,278
2012-2013	1,528,375	804,295	2,332,670
2013-2014	1,488,550	804,750	2,293,300
2014-2015	1,424,119	807,750	2,231,869
2015-2016	1,429,212	805,500	2,234,712
2016-2017	1,393,800	807,250	2,201,050
2017-2018	1,389,075	802,750	2,191,825
2018-2019	1,142,250	807,250	1,949,500
2019-2020	1,142,500	805,250	1,947,750
2020-2021	1,140,500	807,000	1,947,500
2021-2022	1,141,500	807,250	1,948,750
2022-2023	1,144,500	806,000	1,950,500
2023-2024		803,250	803,250
2024-2025		804,000	804,000
2025-2026		803,000	803,000
2026-2027		805,350	805,350

APPENDIX C-14
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF OSWEGO

There follows in this Appendix C-14 a brief description of the City School District of the City of Oswego (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District was established on July 1, 1951 and has a land area of approximately 65 square miles. The District includes all of the City of Oswego as well as portions of the Towns of Minetto, Oswego, Scriba and Volney in Oswego County and the Town of Sterling in Cayuga County.

The City of Syracuse is located 35 miles southeast, the City of Rochester, 70 miles west and the City of Watertown, 45 miles northeast. The District is situated on the southern shore of Lake Ontario at the mouth of the Oswego River and at the northern terminus of the New York State Barge Canal.

In 1955, the New York State Legislature created the Port of Oswego Authority for the purpose of developing, operating and promoting port facilities in the Port District, which includes the City of Oswego and part of the Town of Scriba. Today, the harbor at Oswego is a modern port containing all the facilities and personnel necessary to handle bulk commodities and general cargo. Imports include grain, cement, wood pulp, petroleum and general cargo. An 850-acre industrial site is located at the Port with all facilities and utilities provided.

As the easternmost port on Lake Ontario, the Port of Oswego is the first Great Lakes port within the United States for inbound overseas shipments. It is the Lake Ontario terminus of the New York State Barge Canal System which provides a controlling depth of 12 feet to inland ports such as Buffalo, Syracuse, Ithaca, Watkins Glen and Whitehall. It is also the Great Lakes terminus of the Great Lakes-Hudson River Waterway, which provides a controlling depth of 13 feet to the Cities of Utica, Schenectady, Albany, New York City and all ports along the Eastern Seaboard and the Intercoastal Waterway.

The County of Oswego is served by one private hospital: Oswego Hospital, with 170 beds. There are also five private nursing homes. Mental health facilities are provided by the Oswego and Cayuga Counties Mental Health Services and various smaller, part-time clinics located throughout the County of Oswego.

The State University of New York at Oswego, with an enrollment of approximately 9,000, offers undergraduate and graduate programs leading to B.A., B.S., M.A. and M.S. degrees; Certificates of Advanced Study are also awarded. The 1,000-acre campus includes one mile of shoreline on Lake Ontario. The College, organized in 1861, became a charter member of the State University system in 1948.

Banking services are available within the School District at JPMorgan Chase Bank, N.A., HSBC Bank USA, N.A., KeyBank, N.A., Pathfinder Bank, Alliance Bank, N.A. and Cayuga County National Bank N.A.

Population

The current estimated population of the District is 33,091 (2010 U.S. Consensus Bureau estimate).

Five Largest Employers

Name	Type	Employees
Oswego State University	University	1,721
Oswego Health	Hospital/Human Services	1,252
County of Oswego	Government	1,138
Constellation Energy Group	Utility	1,079
City School District of the City of Oswego	Education	713

Five Largest Taxpayers

Name	Type	Full Valuation
Oswego Harbor Power LLC	Utility	$155,402,887
National Grid	Utility	85,109,796
Alcan Aluminum Corp	Manufacturing	14,582,000
Erie Blvd Hydropower LP	Utility	11,956,300
Oswego Development	Real Estate	11,701,900

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 23.1% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest areas for which such statistics are available (which includes the District) are Oswego and Cayuga Counties.

Year Average

	2007	2008	2009	2010	2011
Oswego County	5.7%	7.0%	9.9%	10.8%	10.3%
Cayuga County	4.5	5.6	8.4	8.4	7.7
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	4,367	4,264	4,188	4,164	4,025	3,890	3,795	3,795

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
402	Oswego Classroom Teachers' Association (OCTA)	June 30, 2011 [1]
14	Association of Administrative Personnel (AAP)	June 30, 2010 [2]
277	Civil Service Employees' Association (CSEA	June 30, 2011 [2]
217	Oswego Per Diem Substitute Teachers (OCTA II)	June 30, 2012 [2]
7	Central Office Administrators/Supervisors Association	June 30, 2011 [2]

[1] The OCTA has agreed to a pay freeze and continuation of the current terms of its contract for the 2011-2012 fiscal year.
[2] Currently in negotiation.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012 (1)

	Based on Conventional Equalization Rates	Based on Special Equalization Rates
Five Year Average Full Valuation of Taxable Real Property	$ 1,692,710,556	$ 1,693,188,124
Debt Limit (5% of full valuation) (2)	84,635,528	84,659,406
Outstanding Indebtedness (3)		
Inclusions		
Bonds	$ 44,123,000	$ 44,123,000
Bond Anticipation Notes	8,105,718	8,105,718
Total Inclusions	$ 52,228,718	$ 52,228,718
Exclusions		
Appropriation	$ 1,685,000	$ 1,685,000
Total Exclusions	$ 1,685,000	$ 1,685,000
Total Net Indebtedness	$ 50,543,718	$ 50,543,718
Net Debt Contracting Margin	$ 34,091,810	$ 34,115,688
Percentage of Debt Contracting Power Exhausted	59.72%	59.70%

(1) The District has not incurred any indebtedness since the date of this table. The District expects to deliver $5,450,000 School District Bonds to the Authority in connection with the refunding of $5,973,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

(2) The District's constitutional debt limit has been computed using special equalization ratios established by the State Office of Real Property Services pursuant to Art-12-B of the Real Property Tax Law. "Conventional" State equalization rates are also established by the State Board, and are used for all other purposes.

(3) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the constitutional debt limit of the District.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness [1]	Exclusions [2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
County of:					
Oswego	$20,660,000	$ 0	$20,660,000	26.00%	$ 5,371,600
Cayuga	54,623,648	14,585,000	40,038,648	.06	24,023
City of:					
Oswego	43,440,663	28,643,563	14,797,100	100.00	14,797,100
Towns of:					
Minetto	590,000	270,000	320,000	95.56	305,792
Oswego	1,280,839	77,959	1,202,880	84.62	1,017,877
Scriba	15,749,657	15,749,657	0	82.07	0
Sterling	0	0	0	1.23	0
Volney	8,363,778	5,581,778	2,782,000	4.25	118,235
				Total	$21,634,627

(1) Bonds and bond anticipation notes as of close of the 2011 fiscal year.
(2) Sewer and Water Debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012 [1]

	Amount	Per Capita [2]	Percentage of Full Value [3]
Gross Indebtedness [4]	$52,228,718	$1,578.34	1.85%
Gross Indebtedness Plus Net Overlapping Indebtedness	73,863,345	2,232.13	2.62

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 33,091.
(3) Based on the District's full value of taxable real estate for 2011-12 of $2,822,739,682.
(4) The District expects to deliver $5,450,000 School District Bonds to the Authority in connection with the refunding of $5,973,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already included in Gross Indebtedness above.

Cash Flow Borrowing

The following is a history of Tax Anticipation Note ("TAN") borrowings for the last five years.

Fiscal Year	Amount	Type	Issue Date	Due Date
2006-2007	$4,000,000	TAN	8/3/06	6/25/07
2007-2008	3,000,000	TAN	7/26/07	1/25/08
2008-2009	N/A	N/A	N/A	N/A
2009-2010	N/A	N/A	N/A	N/A
2010-2011	N/A	N/A	N/A	N/A

The District has not issued Tax Anticipation Notes for the last three fiscal years and does not expect to issue such notes in the current fiscal year.

The District, historically, does not issue Revenue Anticipation Notes.

Capital Project Plans

The District anticipates presenting a $15 million capital project referendum at the May 15, 2012 budget vote. A timeline of borrowing amounts has not been established.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

City School District of the City of Oswego
http://emma.msrb.org/EP596903-EP466824-EP866916.pdf
Base CUSIP: 688715

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

The District's taxes are payable in two equal installments to an appointed tax collector for the District. School taxes levied are collected by the District. Also, the District has a tax "Lock Box" arrangement with JPMorgan Chase Bank for mail payments. The first tax installment is payable during the month of October without penalty. If paid after October 31, a penalty of 1% per month is imposed from October 1. The second tax installment is payable during the month of February without penalty. If paid after February 28, a penalty of 1% per month is imposed from February 1. From March, all unpaid taxes and penalties are charged an additional 1% per month until they are turned over to the City and Counties as applicable and additional penalties are added.

Uncollected District taxes in the towns are returned to the respective Counties who reimburse the District in full in the same fiscal year in which the taxes were levied. Uncollected District taxes in the City of Oswego are returned to the City for collection under Section 1332 of the Real Property Tax Law. The District also includes a tax overlay in its budget.

Valuations and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
City of:					
Oswego	$ 801,886,271	$ 781,748,228	$ 767,297,099	$ 778,704,805	$ 797,333,466
Towns of:					
Minetto	$ 83,750,889	$ 87,997,394	$ 94,248,892	$ 91,993,033	$ 93,063,901
Oswego	161,011,655	200,786,827	201,550,230	202,958,703	202,672,895
Scriba	250,709,240	252,457,590	253,728,892	543,135,059 (1)	1,715,647,642 (1)
Sterling	1,698,214	2,337,758	2,378,829	2,262,206	2,308,804
Volney	10,431,520	10,163,741	10,384,631	10,393,551	10,424,547
Total Assessed Valuation	$1,309,487,789	$1,335,491,538	$1,329,558,573	$1,629,447,357	$2,821,451,255

(1) Change in assessment due to expiration of Payment In Lieu of Taxes "PILOT" agreement of the Nine Mile I and II nuclear power plants. The plants are currently on the tax rolls.

Regular State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
City of:					
Oswego	100.00%	100.00%	100.00%	100.00%	100.00%
Towns of:					
Minetto	100.00	100.00	100.00	100.00	100.00
Oswego	83.25	100.00	100.00	100.00	100.00
Scriba	100.00	100.00	100.00	100.00	100.00
Sterling	81.00	100.00	100.00	100.00	100.00
Volney	95.00	92.00	88.00	90.00	89.00
Taxable Full Valuation	$1,342,830,901	$1,336,375,342	$1,331,004,659	$1,630,602,196	$2,822,739,682

Special State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
City of:					
Oswego	104.58%	101.72%	99.87%	103.27%	105.53%
Towns of:					
Minetto	87.04	94.24	98.94	93.63	91.91
Oswego	78.27	99.86	100.06	98.25	95.85
Scriba	98.63	98.95	99.63	99.28	97.50
Sterling	74.82	96.19	95.37	91.89	91.67
Volney	89.50	90.24	87.68	85.22	84.70
Taxable Full Valuation	$1,336,819,277	$1,331,803,574	$1,333,993,166	$1,620,604,856	$2,842,719,747

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$27,370,133	$28,668,250	$28,668,250	$34,699,450	$27,000,548
% Uncollected When Due (1)	8.53%	7.93%	8.78%	6.54%	6.18%

(1) See "Real Estate Property Tax Collection Procedure."

Note: The 2012 original levy was $54,055,460; levy was adjusted due to PILOT agreement executed in January 2012.

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past five completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid

Fiscal Year	Total State Aid (1)	Total Revenues (1)	Percentage of Total Revenues Consisting of State Aid (1)
2006-07	$13,177,732	$62,344,822	21.14%
2007-08	15,670,681	65,548,600	23.91
2008-09	17,545,662	67,004,721	26.19
2009-10	14,948,679	67,564,120	22.13
2010-11	14,776,972	68,244,558	21.65
2011-12 (Budgeted)	16,278,931	74,744,748	21.78
2012-13 (Budgeted)	19,603,407	76,604,057	25.59

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Year	ERS	TRS
2007-2008	$ 558,129	$ 2,051,023
2008-2009	746,175	2,094,351
2009-2010	572,329	1,802,372
2010-2011	910,710	2,453,422
2011-2012 (Budgeted)	1,307,397	2,718,494
2012-2013 (Budgeted)	1,423,551	3,410,402

See also, "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Capital Region BOCES to calculate its "other post-employment benefits" ("OPEB") in accordance with GASB 45. As of June 30, 2011 the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $213,235,464. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $213,235,464. The School District's annual OPEB cost was $20,072,002 and is equal to the annual required contribution (ARC). The School District is on a pay-as-you-go funding basis and was expected to have paid $5,437,467 to the Plan for the fiscal year ending June 30, 2011 resulting in a year-end Net OPEB obligation of $41,527,667. See also, "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's expenditures exceeded its revenues by $885,982 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unassigned General Fund balance of $2,987,529 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also, "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness [(1)]

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$5,253,477	$ 0	$5,253,477
2012-2013	5,274,748	588,551	5,863,299
2013-2014	5,286,703	593,050	5,879,753
2014-2015	5,186,282	594,450	5,780,732
2015-2016	5,077,861	593,350	5,671,211
2016-2017	5,004,152	591,650	5,595,802
2017-2018	4,800,176	594,250	5,394,426
2018-2019	4,035,294	591,150	4,626,444
2019-2020	4,043,794	592,350	4,636,144
2020-2021	3,699,250	592,750	4,292,000
2021-2022	3,702,750	594,625	4,297,375
2022-2023	3,698,750	592,750	4,291,500
2023-2024	3,702,250	594,500	4,296,750
2024-2025	2,887,500	0	2,887,500

(1) Schedule does not include payments due of an energy performance contract originally issued in the amount of $5,463,738.

APPENDIX C-15
DESCRIPTION OF
QUEENSBURY UNION FREE SCHOOL DISTRICT

There follows in this Appendix C-15 a brief description of the Queensbury Union Free School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District, with an area of about 34 square miles, is located in east-central New York State about 50 miles north of Albany. The District is entirely within the Town of Queensbury and surrounds the City of Glens Falls, a commercial, manufacturing and shipping center of the Adirondack Mountains. Situated both in the metropolitan area of Glens Falls and in the heart of the year-round recreational region of the Adirondacks (such as Lake George, 6 miles north), Queensbury derives benefits from both economies.

Residential development consists primarily of single-family homes, garden apartment complexes and estate farms. Several shopping centers serve as a basis of commercial activity and draw shoppers from the surrounding communities and the City of Glens Falls in addition to residents in the immediate area. Industrial operations include the Glens Falls Lehigh Cement Company, a cement manufacturer; and a hydroelectric plant of the National Grid Power Corp.

Residents find employment at in-district industrial and commercial enterprises, as well as in Glens Falls. The service industries catering to sportsmen and tourists in the Adirondack and Lake George regions offer additional career opportunities. A wide variety of recreational activities is available to residents; skiing, ice skating, hunting, fishing, sailing, boating, swimming, hiking, golf, tennis, etc. are all readily accessible during the appropriate seasons of the year.

Rail transportation is provided by the Delaware & Hudson Railroad. Air transportation is available at the Warren County Airport, located in the District. A network of roads and highways serve this area, including Interstate #87 (the Northway), which connects with the New York State Thruway and Canada, and U.S. Route #9.

The School District has a stable local economy and continues to enjoy commercial and residential growth. A second Wal-Mart department store newly opened in the District on September 14, 2011. Student housing has been approved for the SUNY Adirondack campus (formerly known as Adirondack Community College). A proposed large scale mixed commercial and residential use development to be called Fowler's Square is on the table and waiting for final approval to begin construction.

Population

The current estimated population of the District is 22,042 (2010 U.S. Census Bureau estimate).

Five Largest Employers

Name	Type	Employees
Wal-Mart (two separate retail locations)	Retail	576
Queensbury Union Free School District	Education	503
Tribune Media	Entertainment/New Products	400
Warren Washington ARC	Service	357
SUNY Adirondack	Higher Education	230

Five Largest Taxpayers

Name	Type	Full Valuation
Erie Boulevard Hydro	Utility	$30,355,000
Aviation Mall Newco LLC	Shopping Mall	29,198,500
Niagara Mohawk/National Grid Power Corp.	Utility	23,619,157
Wal-Mart	Retail	12,188,000
Troy CMBS Property (K-Mart)	Retail	10,165,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 6.56% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Warren County.

Year Average

	2007	2008	2009	2010	2011
Warren County	4.5%	5.6%	8.1%	8.5%	8.5%
New York State	4.5	5.3	8.4	8.6	8.6

Enrollment

The table below presents the District's historic and projected enrollment.

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	3,892	3,822	3,724	3,666	3,602	3,567	3,570

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
283	Teachers QFA	June 30, 2012 [1]
Varies	Southern Adirondack Substitute Teacher Alliance	June 30, 2013
80	Queensbury Educational Support Staff	June 30, 2012 [1]
13	Queensbury Administrators and Supervisors	June 30, 2012 [1]
5	Queensbury OT/PT Association	June 30, 2013
48	Queensbury Transportation Employees	June 30, 2013
44	Queensbury Buildings and Grounds Employees	June 30, 2013
4	Queensbury Supervisors of Maintenance & Custodial	June 30, 2013
6	Queensbury School Nurses Association	June 30, 2012 [1]
20	Employees not in a bargaining unit	N/A

(1) Currently under negotiations.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[(1)]

Full Valuation of Taxable Real Property	$2,010,499,825
Debt Limit (10% of Full Valuation)	201,049,983
Gross Indebtedness[(2)]	$51,994,420
Less: Exclusions – Estimated Building Aid[(3)]	0
Total Net Indebtedness	$51,994,420
Net Debt Contracting Margin	$149,055,563
Percentage of Debt Contracting Power Exhausted	25.86%

(1) The District has not incurred any indebtedness since the date of this table.
(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $11,640,000 School District Bonds to the Authority in connection with the refunding of $12,832,322 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.
(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[(1)]	Exclusions[(2)]	Net Indebtedness	% Within District	Applicable Net Indebtedness
Counties of:					
Warren	$49,925,178	$7,802,326	$42,122,852	18.16%	$7,649,510
Towns of:					
Queensbury	17,187,600	5,682,600	11,505,000	54.64	6,286,322
				Total	$13,935,842

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.
(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012

Debt Ratios
As of May 15, 2012[1)]

	Amount	Per Capita[(2)]	Percentage of Full Value[(3)]
Gross Indebtedness[(4)]	$51,994,420	$2,358.88	2.59%
Gross Indebtedness Plus Net Overlapping Indebtedness...........	65,930,262	2,991.12	3.28

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of is 22,042.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2010-11 of $2,010,499,825.
(4) The District expects to deliver $11,640,000 School District Bonds to the Authority in connection with the refunding of $12,832,322 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already included in Gross Indebtedness above.

Cash Flow Borrowing

The District, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes.

Capital Project Plans

The District has no authorized and unissued indebtedness for capital or other purposes other than the issuance of the School District Bonds.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Queensbury Union Free School District
http://emma.msrb.org/IssuerView/IssuerDetails.aspx?cusip=748267
Base CUSIP: 748267

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2nd to November 1st. On or about November 15th, uncollected taxes are returnable to the Counties for collection. The District receives this amount from said Counties prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by the Counties.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Queensbury	$1,583,547,843	$1,592,835,829	$1,597,739,357	$1,610,791,040	$1,608,399,860
Total Assessed Valuation	$1,583,547,843	$1,592,835,829	$1,597,739,357	$1,610,791,040	$1,608,399,860

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Queensbury	79.00%	73.00%	76.00%	76.00%	80.00%
Taxable Full Valuation	$2,004,490,941	$2,181,966,889	$2,102,288,628	$2,119,461,895	$2,010,499,825

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$26,730,287	$27,930,770	$28,016,400	$28,245,300	$28,565,182
% Uncollected When Due(1)	6.98%	6.85%	6.19%	6.01%	5.95%

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[(1)]	Total Revenues[(1)]	Percentage of Total Revenues Consisting of State Aid[(1)]
2007-2008	$21,130,181	$49,206,551	42.94%
2008-2009	22,327,079	51,887,760	43.03
2009-2010	19,619,457	51,735,036	37.92
2010-2011	17,948,325	48,787,888	36.79
2011-2012 (Budgeted)	19,604,682	49,303,738	39.76
2012-2013 (Budgeted)	18,129,161	49,350,138	36.74

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$405,030	$1,527,290
2008-2009	402,827	1,827,278
2009-2010	372,406	1,682,229
2010-2011	629,483	1,713,165
2011-2012 (Budgeted)	770,000	1,910,000
2012-2013 (Budgeted)	885,000	1,963,400

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Green Mountain Benefits, Inc. to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of May 19, 2011 the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $66,880,743. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $66,880,743. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $7,730,856. The District's annual OPEB expense was $6,988,730 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $1,528,712 to the Plan for the fiscal year ending June 30, 2011 to 304 employees, resulting in a net increase to its unfunded OPEB obligation of $5,460,018, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $13,190,874. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's expenditures exceeded its revenues by $2,852,637 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $1,983,054 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness[(1)]

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$ 3,875,000	$ 0	$3,875,000
2012-2013	3,888,000	1,111,855	4,999,855
2013-2014	5,213,000	1,106,438	6,319,438
2014-2015	5,374,000	1,102,688	6,476,688
2015-2016	5,567,000	1,107,088	6,674,088
2016-2017	5,782,000	1,105,288	6,887,288
2017-2018	5,762,000	1,107,488	6,869,488
2018-2019	2,097,000	1,103,488	3,200,488
2019-2020	575,000	1,103,488	1,678,488
2020-2021	603,000	1,107,288	1,710,288
2021-2022	633,000	1,109,688	1,742,688
2022-2023	664,000	1,107,188	1,771,188
2023-2024	697,000	1,107,688	1,804,688
2024-2025	35,000	1,110,938	1,145,938
2025-2026	35,000	1,106,688	1,141,688
2026-2027	40,000	170,188	210,188
2027-2028	40,000	170,475	210,475
2028-2029	40,000	170,600	210,600
2029-2030	40,000	170,563	210,563
2030-2031	45,000	170,363	215,363
2031-2032	45,000	0	45,000

APPENDIX C-16
DESCRIPTION OF
ROTTERDAM-MOHONASEN CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-16 a brief description of the Rotterdam-Mohonasen Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District, with an area of approximately 11 square miles, is located in the eastern portion of New York State, adjacent to the City of Schenectady and about 10 miles west of the City of Albany. The District is primarily suburban-residential in nature, with some commercial development; residents find employment in the District, or commute to governmental, professional and business occupations in the Capital District Region. Air transportation is provided by the Albany International Airport. Passenger rail service is provided by Amtrak's New York-Montreal corridor and rail freight service is provided by the Delaware and Hudson Railroad. Highways traversing the District include Interstate Routes #90, #890 and #87; U.S. Route #7 and New York State Route #5.

Population

The current estimated population of the District is 20,355 (2010 U.S. Census Bureau estimate).

Larger Employers

Name	Type	Estimated Number of Employees
Rotterdam-Mohonasen Central School District	School District	600
Price Chopper	Supermarket	300
Dutch-Manor	Nursing Home	100
Price Rite	Retail	60
Hannaford	Supermarket	50

Five Largest Taxpayers

Name	Type	Full Valuation
National Grid	Utility	$ 20,338,047
Rotterdam Ventures	Industrial	10,472,000
Altamont Associates	Shopping Centers	8,528,900
Crosstown Plaza LLC	Shopping Center	5,200,000
Dominion Transmission	Commercial	5,034,103

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 5.0% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest areas for which such statistics are available (which includes the District) are Albany and Schenectady Counties. Over the past five years, the Counties' unemployment rate has been historically below the State average unemployment rate.

Year Average

	2007	2008	2009	2010	2011
Albany County	3.9%	4.9%	6.9%	7.1%	7.0%
Schenectady County	4.2	5.1	7.4	7.8	7.5
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14	Projected 2014-15
K-12	3,218	3,194	3,083	3,056	2,942	2,875	2,870	2,860

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
247	Mohonasen Teachers' Association	June 30, 2014
245	Mohonasen Support Staff Association (Civil Service)	June 30, 2012 (1)
44	Mohonasen Teachers' Association (Substitutes)	June 30, 2015
13	Mohonasen Administrators' Association	June 30, 2013
7	Mohonasen Support Staff Supervisors' Association	June 30, 2012 (1)

(1) Currently in negotiations.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[1]

Full Valuation of Taxable Real Property	$ 1,442,795,459
Debt Limit (10% of Full Valuation)	144,279,546
Gross Indebtedness[2]	$ 36,051,731
Less: Exclusions – Estimated Building Aid[3]	0
Total Net Indebtedness	$ 36,051,731
Net Debt Contracting Margin	108,227,815
Percentage of Debt Contracting Power Exhausted	24.99%

(1) The District has not incurred any indebtedness since the date of this table.
(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $14,965,000 School District Bonds to the Authority in connection with the refunding of $17,050,525 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.
(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness [1]	Exclusions [2]	Net Indebtedness	% Within School District	Net Indebtedness
County of:					
Schenectady	$ 57,714,665	$ 0	$ 57,714,665	13.12%	$ 7,572,164
Albany	274,806,031	54,193,732	220,612,299	0.52	1,147,184
Towns of:					
Rotterdam	10,110,000	1,679,310	8,430,690	52.21	4,401,663
Colonie	104,955,386	45,146,486	59,808,900	0.65	388,758
Guilderland	27,917,000	22,492,000	5,425,000	1.84	99,820
				Total	$ 13,609,589

(1) Bonds and bond anticipation notes, as of close of last respective fiscal year adjusted to include subsequent bond sales, if any.
(2) Sewer and Water Debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012

Debt Ratios
As of May 15, 2012[1]

	Amount	Per Capita [2]	Percentage of Full Value [3]
Gross Indebtedness[4]	$36,051,731	$1,771.15	2.50%
Gross Indebtedness Plus Net Overlapping Indebtedness	49,661,320	2,439.76	3.44

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 20,355
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-2012 of $1,442,795,459.
(4) The District expects to deliver $14,965,000 School District Bonds to the Authority in connection with the refunding of $17,050,525 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already accounted for in the above calculations.

Cash Flow Borrowing

The District, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes.

Capital Project Plans

The District has no authorized and unissued indebtedness for capital or other purposes other than the issuance of the School District Bonds.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") and are incorporated by reference herein.

Rotterdam-Mohonasen CSD
http://emma.msrb.org/ER549288-ER425904-ER828077.pdf
Base CUSIP: 778850

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Taxes are due and payable during the month of September. Taxes paid during the month of October are subject to a 2% penalty fee. All taxes remaining unpaid after October 31 are turned over to the Counties for collection. The Counties reimburse the School District in full before the end of the School District's fiscal year.

Valuations and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Colonie	$ 37,211,775	$ 37,374,628	$ 37,863,075	$ 37,729,189	$ 37,295,909
Guilderland	54,950,430	54,959,331	55,549,417	55,993,009	56,451,977
Rotterdam	1,292,909,148	1,295,607,036	1,302,089,612	1,318,339,205	1,322,090,693
Total Assessed Valuation	$1,385,071,353	$1,387,940,995	$1,395,502,104	$1,412,061,403	$1,415,838,579

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Colonie	61.01%	67.00%	65.75%	65.75%	67.50%
Guilderland	80.44	79.62	79.09	85.05	86.25
Rotterdam	100.00	95.00	95.00	100.00	100.00
Taxable Full Valuation	$1,422,214,379	$1,488,606,949	$1,498,442,772	$1,441,557,403	$1,442,795,459

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$20,840,227	$21,262,913	$21,387,652	$21,880,276	$22,427,627
% Uncollected When Due(1)	4.7%	4.2%	4.4%	5.2%	4.6%

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past five completed fiscal years and the budgeted figures for the current fiscal year and upcoming fiscal years:

State Aid

Fiscal Year	Total State Aid (1)	Total Revenues [(1)]	Percentage of Total Revenues Consisting of State Aid [(1)]
2006-07	$17,502,542	$39,126,748	44.73%
2007-08	17,488,332	40,354,535	43.34
2008-09	19,304,397	42,065,390	45.89
2009-10	17,253,422	42,055,939	41.02
2010-11	18,420,944	42,294,368	43.55
2011-12 (Budgeted)	17,344,259	41,104,561	42.20
2012-13 (Budgeted)	17,911,098	42,832,355	41.82

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year, budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Year	ERS	TRS
2007-2008	$ 338,064	$ 1,434,449
2008-2009	358,411	1,599,160
2009-2010	337,873	1,470,575
2010-2011	498,185	1,323,602
2011-2012 (Budgeted)	750,000	1,900,000
2012-2013 (Budgeted)	960,000	2,125,000

GASB 45 and OPEB

The District contracted with Capital District BOCES to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2011, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $24,051,998. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $24,051,998. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $2,275,698. The District's annual OPEB expense was $2,127,312 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $1,166,039 to the Plan for the fiscal year ending June 30, 2011, resulting in a net increase to its unfunded OPEB obligation of $961,273, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $3,236,971. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's expenditures exceeded its revenues by $3,369,810 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unassigned General Fund balance of $1,711,252 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also, "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$ 3,010,604	$ 0	$3,010,604
2012-2013	3,081,664	1,616,264	4,697,928
2013-2014	3,078,179	1,620,350	4,698,529
2014-2015	2,989,488	1,618,750	4,608,238
2015-2016	2,854,816	1,616,250	4,471,066
2016-2017	790,215	1,616,500	2,406,715
2017-2018	718,363	1,619,250	2,337,613
2018-2019	720,634	1,619,250	2,339,884
2019-2020	716,670	1,621,500	2,338,170
2020-2021	716,530	1,620,750	2,337,280
2021-2022	342,528	1,617,000	1,959,528
2022-2023	286,297	1,615,250	1,901,547
2023-2024	285,797	1,620,250	1,906,047
2024-2025	289,750	1,501,500	1,791,250
2025-2026	288,156	0	288,156
2026-2027	286,125	0	286,125

APPENDIX C-17
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF UTICA

There follows in this Appendix C-17 a brief description of the City School District of the City of Utica (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The City of Utica (the "City"), the boundaries of which are coterminous with the boundaries of the District, is located in the central part of the State with a land area of 17 square miles.

The City's principal industries are light manufacturing, electronics, data processing and service industries. Locally owned firms are supplemented by divisions of such nationally known corporations as Lucas Aerospace, Special Metals of Allegheny Ludlum Corporation and West End Brewery, maker of Utica Club and Matts beer.

Major highways serving the City are New York State Routes #5, #8, #12 and #49 as well as the New York State Thruway (I-#90). Interstate Routes #81 and #87 provide limited access north-south with connections via Syracuse and Albany short distances away. The City is also served by the Conrail system with switching facilities.

Population

The current estimated population of the District is 62,266 (2010 U.S. Census Bureau estimate).

Five Largest Employers

Name	Type	Employees
Oneida Indian Nation	Hospitality	4,500
Mohawk Valley Network	Healthcare	2,100
St. Elizabeth's Medical Center	Healthcare	2,000
United Cerebral Palsy	Social Services	1,900
Resource Center for Independent Living Inc.	Social/Human Services	1,400

Five Largest Taxpayers

Name	Type	Full Valuation
National Grid	Utility	$47,406,285
Riverside Enterprises LLC	Shopping Mall	28,129,887
Verizon	Utility	11,848,420
Center Green, Inc	Professional Office Building	5,071,930
Hotel Utica	Hotel	4,800,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 10.55% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Oneida County.

Year Average

	2007	2008	2009	2010	2011
Oneida County	4.3%	5.4%	7.5%	7.8%	8.1%
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	9,379	9,228	9,234	9,570	9,481	9,680	9,500	9,500

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
	Utica Administrators' Association	6/30/11[1]
	Utica Teachers' Association	6/30/11[1]
	Mohawk Valley Building & construction Trades Council	6/30/13
	Teamsters Local 182 (Custodial)	6/30/10[1]
	Teamsters Local 182 (Secretarial/Nursing)	6/30/15
	Service Employees International	6/30/12[1]

(1) Currently under negotiations.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[(1)]

	Based on Conventional Equalization Rates	Based On Special Equalization Ratios
Five Year Average Full Valuation of Taxable Real Property	$ 1,403,038,767	$ 1,601,304,964
Debt Limit (5% of full valuation)[(2)]	$70,151,938	80,065,248
Outstanding Indebtedness[(3)]		
Inclusions		
Bonds	$ 35,270,000	$ 35,270,000
Bond Anticipation Notes	78,840,000	78,840,000
Revenue Anticipation Notes	10,000,000	10,000,000
Total Inclusions	$ 124,110,000	$ 124,110,000
Exclusions		
Bonds Previously Refunded	$ 10,000,000	$ 10,000,000
Appropriations	1,850,000	1,850,000
Total Exclusions	$ 11,850,000	$ 11,850,000
Total Net Indebtedness	$ 112,260,000	$ 112,260,000
Net Debt Contracting Margin	$ (42,108,062)	($ 32,194,752)
Percentage of Debt Contracting Power Exhausted	(160.02)%	(140.21%)

(1) The District has not incurred any indebtedness since the date of this table. The District expects to deliver $39,840,000 School District Bonds to the Authority in connection with the refunding of $40,580,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

(2) The District's constitutional debt limit has been computed using special equalization ratios established by the State Office of Real Property Tax Services pursuant to Art-12-B of the Real Property Tax Law. "Conventional" State equalization rates are also established by the State Board, and are used for all other purposes. The School District has satisfied the requirements contained in Section 104.00 of the Local Finance Law to exceed its debt limit to provide for the issuance of $187,600,000 serial bonds (of which $79,000,000 has been issued to date, with $78,840,000 currently outstanding as bond anticipation notes), including receiving the consents of the Board of Regents and the Office of the State Comptroller.

(3) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the constitutional debt limit of the District.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
Counties of:					
Oneida	$140,075,692	$15,967,868	$124,107,824	25.10%	$31,151,064
City of:					
Utica	57,637,028	13,330,269	44,306,759	100.00%	44,306,759
				Total	$75,457,823

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.
(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$124,110,000	$1,993.22	7.18%
Gross Indebtedness Plus Net Overlapping Indebtedness	199,567,823	3,205.09	11.55%

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 62,266
(3) Based on the District's full value of taxable real estate using the special State equalization rates for 2010-11 of $1,727,935,295.
(4) The District expects to deliver $39,840,000 School District Bonds to the Authority in connection with the refunding of $40,580,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already accounted for in the above calculations.

Cash Flow Borrowing

The following is a history of Tax Anticipation Note ("TAN") and Revenue Anticipation Note ("RAN") borrowings for the last five years and the current fiscal year as well as the anticipated borrowing for 2012-2013.

Fiscal Year	Amount	Type	Issue Date	Due Date
2006-2007	$9,975,000	RAN	6/23/06	6/22/07
2007-2008	9,975,000	RAN	6/22/07	6/20/08
2008-2009	9,975,000	RAN	6/19/08	6/19/09
2009-2010	10,000,000	RAN	6/18/09	6/18/10
2010-2011	10,000,000	RAN	6/17/10	6/17/11
2011-2012	10,000,000	RAN	6/16/11	6/16/12
2012-2013	10,000,000	RAN	6/15/12	6/14/13

Capital Project Plans

On July 29, 2008 the voters approved a $187,600,000 capital improvement project. The District plans on using all or a portion of the $7,035,887 EXCEL (Expanding our Children's Education and Learning) Aid along with the 98% state building aid ratio to minimize the impact on the taxpayers of the District. The District has outstanding $54,840,000 bond anticipation notes which mature July 13, 2012 and $24,000,000 bond anticipation notes which mature September 9, 2011. The School District Bonds, together with $580,000 available funds, will retire $40,580,000 of the bond anticipation notes outstanding. The District plans to issue $38,260,000 bond anticipation renewal notes in July 2012. The District has also issued $5,000,000 Qualified School Construction Bonds against said authorization. The District has received the consent of the New York State Comptroller and New York State Board of Regents to issue indebtedness for this project in excess of the Constitutional and statutory debt limit, as required by law. After issuance of the School District Bonds, the District will have issued $84,000,000 of the $187,600,000 authorized amount.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

City School District of the City of Utica
http://emma.msrb.org/ER539005-ER417059-ER818927.pdf
Base CUSIP: 917763

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Real property taxes are levied annually by the Board of Education no later than September 1. Taxes are collected in two installments; the first due October 1 and the second due December 1. Uncollected real property taxes are subsequently enforced by the City. An amount representing uncollected real property taxes transmitted to the City for enforcement is paid by the City to the District no later than the forthcoming April 1.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2007	2008	2009	2010	2011
City of:					
Utica	$1,125,699,273	$1,125,523,025	$1,116,714,432	$1,106,262,425	$1,111,062,395
Total Assessed Valuation	$1,125,699,273	$1,125,523,025	$1,116,714,432	$1,106,262,425	$1,111,062,395

State Equalization Rates
Years Ending June 30,

	2007	2008	2009	2010	2011
City of:					
Utica	94.00%	86.00%	76.00%	71.00%	75.00%
Taxable Full Valuation	$1,197,552,418	$1,308,747,703	$1,469,361,095	$1,558,116,092	$1,481,416,527

Special State Equalization Ratios
Years Ending June 30,

	2007	2008	2009	2010	2011
City of:					
Utica	74.27%	69.37%	73.06%	68.63%	64.30%
Taxable Full Valuation	$1,515,685,032	$1,622,492,468	$1,528,489,505	$1,611,922,519	$1,727,935,295

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$27,298,207	$27,298,207	$27,838,712	$27,854,981	$28,836,510
% Uncollected When Due[(1)]	3.34%	9.94%	13.90%	5.33%	N/A

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[(1)]	Total Revenues[(1)]	Percentage of Total Revenues Consisting of State Aid[(1)]
2007-2008	$83,884,319	$116,731,513	71.86%
2008-2009	92,626,324	126,909,373	72.99
2009-2010	90,602,862	128,038,202	70.76
2010-2011	89,785,265	126,551,589	70.95
2011-2012 (Budgeted)	90,634,225	125,879,744	72.00
2012-2013 (Budgeted)	101,139,691	136,097,447	74.31

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$995,183	$3,884,956
2008-2009	1,368,978	3,261,109
2009-2010	871,128	3,636,434
2010-2011	1,519,011	5,228,372
2011-2012 (Budgeted)	2,220,566	5,876,258
2012-2013 (Budgeted)	2,263,878	5,865,528

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Armory Associates, LLC to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 20112, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $357,825,568. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $357,825,568. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was $44,774,647. The District's annual OPEB expense was $22,165,808 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $5,697,846 to the Plan for the fiscal year ending June 30, 2012 to 1,183 active and 656 retired employees, resulting in a net increase to its unfunded OPEB obligation of $22,165,808 in the fiscal year ending June 30, 2012 and a total net unfunded OPEB obligation of $61,242,609. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2012 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's expenditures exceeded its revenues by $3,184,743 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $8,362,806 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness[(1)]

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$ 5,243,587	$ 0	$5,243,587
2012-2013	5,700,395	3,465,543	9,165,938
2013-2014	5,705,466	3,465,250	9,170,716
2014-2015	5,705,235	3,457,900	9,163,135
2015-2016	5,716,796	3,463,750	9,180,546
2016-2017	5,724,262	3,461,550	9,185,812
2017-2018	5,725,045	3,462,650	9,187,695
2018-2019	4,040,643	3,460,600	7,501,243
2019-2020	461,387	3,461,175	3,922,562
2020-2021	458,387	3,465,300	3,923,687
2021-2022	459,317	3,459,013	3,918,330
2022-2023	459,005	3,463,013	3,922,018
2023-2024	462,580	3,457,513	3,920,093
2024-2025	459,870	3,461,013	3,920,883
2025-2026	461,070	3,462,731	3,923,801
2026-2027	461,120	271,325	732,445
2027-2028		270,900	270,900
2028-2029		270,300	270,300
2029-2030		269,525	269,525
2030-2031		273,575	273,575
2031-2032		272,275	272,275
2032-2033		270,800	270,800
2033-2034		273,200	273,200
2034-2035		270,200	270,200
2035-2036		272,000	272,000
2036-2037		273,400	273,400
2037-2038		274,400	274,400
2038-2039		270,000	270,000
2039–2040		270,400	270,400
2040-2041		270,400	270,400

(1) Schedule does not include remaining payments of $3,446,809 due under an energy performance contract.

APPENDIX C-18
DESCRIPTION OF
VALLEY CENTRAL SCHOOL DISTRICT AT MONTGOMERY

There follows in this Appendix C-18 a brief description of the Valley Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District is located in Orange County, New York (the "County"), approximately 60 miles north of New York City. The District includes almost all of the Town of Montgomery and portions of the Towns of Crawford, Hamptonburgh, Newburgh, New Windsor, Shawangunk and Wallkill. Almost 79% of the District's tax levy is generated in the Town of Montgomery.

The District maintains seven school buildings with 4,777 students enrolled for the current school year.

Residents of the District received their basic municipal services from the towns making up the District. The County is responsible for providing social and certain health related programs.

The District is primarily residential in nature. Residents are employed locally and throughout the County and surrounding areas. Unemployment rates reported for the County in recent years have been substantially less than both State and national averages (See "Unemployment Rate Statistics" herein).

The District is served by all major forms of transportation. Major highways serving the School District include the New York State Thruway (linking New York City and Buffalo), Interstate 84 (linking Hartford, Connecticut and Scranton, Pennsylvania), and State Route 17 (providing access to New York City metropolitan area and western portions of the State). The District is also served by a network of County and Town roads. Rail passenger service is available from the Metro North Commuter Railroad, with a station in the City of Middletown providing service links with New Jersey trains to New York City. Metro North and Amtrak rail service is also available in nearby Beacon. Commercial air transportation is available at nearby Stewart Airport in Newburgh, New York.

CH Energy Group, Inc., Orange and Rockland Utilities, Inc., New York State Electric and Gas, Frontier Communications and Verizon provide residents of the School District with electric, natural gas and telephone service. Water and sewer services are comprised of both municipal and private systems.

Population

The current estimated population of the District is 26,930 (2010 U.S. Census Bureau estimate).

Larger Employers

Name	Type	Estimated Number of Employees
Orange Regional Medical Center	Hospital	2,524
St. Luke's/Comwall Hospital	Hospital	1,400
Elant Inc.	Senior Health and Housing	1,200
C&S Wholesale Grocers, Inc.	Distribution-Food	850
AHRC	Services for Develop. Disabilities	750

Five Largest Taxpayers

Name	Type	Full Valuation
Allegiance Healthcare	Distributions Center	$51,673,100
Manheim Services Corp.	Auto Auction	41,606,500
Central Hudson Gas & Electric	Utility	41,034,730
Staples The Office	Office Products	35,625,000
Do it Best	Warehouse	20,769,200

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 10% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Orange County. Over the past five years, the County's unemployment rate has been historically less than the State average unemployment rate.

Year Average

	2007	2008	2009	2010	2011
Orange County	4.4%	5.4%	7.9%	8.3%	7.8%
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14	Projected 2014-15
K-12	5,263	5,115	4,943	4,833	4,777	4,686	4,600	4,550

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
445	Valley Central Teachers' Association	June 30, 2013
159	Valley Central Teachers' Association Paraprofessional Chapter	June 30, 2012(1)
54	CSEA, Inc.	June 30, 2012(1)
53	Valley Central School Unit of Nutritional Staff	June 30, 2012(1)
25	Valley Central Teachers' Association Secretarial Staff	June 30, 2011(1)
20	Valley Central Administrators' Association	June 30, 2014
11	Valley Central Confidential Secretarial Unit	June 30, 2013

(1) Currently in negotiation.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[1]

Full Valuation of Taxable Real Property	$	2,519,678,041
Debt Limit (10% of Full Valuation)		251,967,804
Gross Indebtedness[2]	$	$21,751,300
Less: Exclusions – Estimated Building Aid[3]		0
Total Net Indebtedness	$	$21,751,300
Net Debt Contracting Margin		230,216,504
Percentage of Debt Contracting Power Exhausted		8.63%

(1) The District has not incurred any indebtedness since the date of this table.

(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $4,820,000 School District Bonds to the Authority in connection with the refunding of $5,291,300 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[1]	Net Indebtedness	% Within School District	Net Indebtedness
County of:					
Orange	$266,535,000	17,840,000	$248,695,000	7.15%	$17,781,693
Towns of:					
Montgomery	3,280,426	3,280,426	0	97.72%	0
Crawford	7,288,251	2,892,905	4,395,346	15.82%	695,344
Wallkill	24,156,136	15,695,397	8,460,739	3.70%	313,047
Hamptonburgh	260,795	20,000	240,795	8.25%	19,866
Shawangunk	5,593,625	640,900	4,952,725	1.55%	76,767
Newburgh	11,208,724	4,305,474	6,903,250	5.76%	397,627
New Windsor	14,345,346	5,016,897	9,328,449	0.72%	67,165
				Total	$19,351,509

(1) Bonds and bond anticipation notes, as of close of last respective fiscal year adjusted to include subsequent bond sales, if any.

(2) Sewer and Water Debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012

	Amount	Per Capita[1]	Percentage Of Full Value[2]
Gross Indebtedness	$21,751,300	$807.70	0.86%
Gross Indebtedness Plus Net Overlapping Indebtedness[3]	41,102,809	1,526.28	1.63

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 26,930
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-2012 of $2,519,678,041.
(4) The District expects to deliver $4,820,000 School District Bonds to the Authority in connection with the refunding of $5,291,300 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already accounted for in the above calculations.

Cash Flow Borrowing

The District, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes.

Capital Project Plans

On May 23, 2011, the District authorized $7,250,000 serial bonds to pay for the renovation, rehabilitation and reconstruction of Berea Elementary School, East Coldenham Elementary School, Maybrook Elementary School, Montgomery Elementary School, Valley Central Middle School and Valley Central High School including, but not limited to roof reconstruction and replacement, septic system reconstruction, replacement of windows and doors, rehabilitation of building exteriors, refurbishment of the swimming pool, improvement of the sites, including parking lots and sidewalks and the acquisition of original furnishings, equipment, machinery and apparatus required for the purposes for which such buildings and improvements are to be used. The District issued $4 million bond anticipation notes on February 23, 2012. Subsequent obligations will be issued as the District's cash flow needs warrant.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") and are incorporated by reference herein.

Valley Central School District at Montgomery
http://emma.msrb.org/ER540215-ER418058-ER819993.pdf
Base CUSIP: 919447

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

The Board of Education of the District levies real property taxes after such taxes have been approved by the District voters. School taxes become a lien upon the final adoption of the school tax roll by the Board of Education. Unpaid interest on school taxes is deemed part of the tax and together with such original tax remain a lien until paid.

School taxes are collected by the Town of Montgomery for six towns in the district, and by Town of Newburgh between September 1 and November 1. Such taxes may be paid during the month of September without interest. Generally, payments received on or after October 1 must include interest computed at 1% per month from September 1. On or about November 1, the various school tax collecting officers transmit a listing of unpaid taxes to the District. A certified listing of unpaid taxes must be transmitted to the County not later than November 15.

Unpaid school taxes with 7% added thereto are re-levied by the County and thereafter collected and enforced in the same manner as real property taxes levied for County purposes. The County must remit the full amount of unpaid taxes to the District by April 1 of the succeeding calendar year. Thus the District is guaranteed 100% of its taxes in the year of the levy.

Valuations and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations and Tax Levy
Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Montgomery	$1,243,734,190	$1,249,844,684	$1,254,679,428	$1,258,627,542	1,268,357,814
Crawford	49,206,885	50,455,015	50,718,160	50,754,787	50,846,898
Wallkill	20,651,432	20,416,996	20,469,497	20,425,036	20,210,628
Hamptonburgh	51,377,153	54,147,619	57,880,656	59,903,989	57,480,540
Shawangunk	2,842,481	2,854,967	2,870,780	2,862,348	2,836,787
Newburgh	68,813,782	69,368,280	70,619,410	71,767,991	72,509,233
NewWindsor	3,163,296	2,743,429	2,753,583	2,785,964	2,782,362
Total Assessed Valuation	$1,439,789,219	$1,449,830,990	$1,459,991,514	$1,464,127,657	$1,475,024,262

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Montgomery	50.00%	50.92%	56.00%	60.00%	64.00%
Crawford	27.00	28.50	31.75	35.10	36.26
Wallkill	16.97	17.00	18.00	19.00	19.00
Hamptonburgh	80.00	84.50	92.90	99.40	100.00
Shawangunk	15.00	17.00	17.50	19.00	20.00
Newburgh	31.50	27.35	28.68	32.80	35.60
New Windsor	13.58	13.79	14.47	17.31	17.47
Taxable Full Valuation	$3,116,331,418	$3,106,061,224	$2,857,931,210	$2,660,043,250	$2,519,678,042

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$41,208,003	$43,457,311	$44,875,652	$47,218,161	$50,260,000
% Uncollected When Due	6.1%	6.6%	9.2%	6.6%	6.9%

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past five completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid

Fiscal Year	Total State Aid	Total Revenues[1]	Percentage of Total Revenues Consisting of State Aid[1]
2006-2007	$29,091,050	$72,880,349	39.92%
2007-2008	30,953,374	75,963,779	40.75
2008-2009	33,523,761	80,741,507	41.52
2009-2010	29,811,679	81,670,423	36.50
2010-2011	28,658,628	81,513,466	35.16
2011-2012 (Budgeted)	28,810,767	81,267,538	35.45
2012-2013 (Budgeted)	29,530,000	83,677,000	35.29

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2006-2007 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Year	ERS	TRS
2006-2007	$468,653	$2,520,664
2007-2008	547,100	2,647,799
2008-2009	511,687	2,408,098
2009-2010	566,592	1,928,122
2010-2011	865,178	3,014,202
2011-2012 (Budgeted)	1,143,374	4,489,556
2012-2013 (Budgeted)	1,100,000	4,872,140

GASB 45 and OPEB

The District contracted with OCM BOCES to calculate its "other post-employment benefits" ("OBEP") in accordance with GASB 45. As of June 30, 2011, the actuarial accrued liability for benefits was $67,479,495, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of $67,479,495. The School District's annual OPEB cost was $7,096,015 and the annual required contribution (ARC) is 7,218,215. The School District is on a pay-as-you-go funding basis and paid $2,630,136 to the Plan for the fiscal year ending June 30, 2011 resulting in a year-end Net OPEB obligation of $12,584,697. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the School District's June 30, 211 financial statements. See also, "Part 4 – The School Districts – Financial Factors – GASB and OPEB."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's expenditures exceeded its revenues by $1,361,842 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unassigned General Fund balance of $2,381,279 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also, "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$2,193,750	$ 0	$2,193,750
2012-2013	2,183,750	492,053	2,675,803
2013-2014	2,183,000	495,300	2,678,300
2014-2015	2,185,000	491,150	2,676,150
2015-2016	2,184,000	493,750	2,677,750
2016-2017	2,180,000	490,750	2,670,750
2017-2018	348,000	495,700	843,700
2018-2019	336,000	496,700	832,700
2019-2020	324,000	492,100	816,100
2020-2021	312,000	492,100	804,100
2021-2022		491,500	491,500
2022-2023		496,250	496,250
2023-2024		489,750	489,750
2024-2025		472,500	472,500

APPENDIX C-19
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF WATERTOWN

There follows in this Appendix C-19 a brief description of the City School District of the City of Watertown (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District, with a land area of approximately 30 square miles and an estimated population of 30,111, centers around the City of Watertown, and includes all of the City and portions of the Towns of LeRay, Pamelia, Rutland and Watertown. It is located in the center of Jefferson County, in the northern sector of New York State. The County Seat is located in the City of Watertown.

The District is approximately 70 miles north of the City of Syracuse and 30 miles south of the Thousand Islands Bridge, which traverses the St. Lawrence River from the United States to Canada. Major highways bisecting the District include Interstate #81 which connects the School District with The New York State Thruway and the Pennsylvania Turnpike to the south and with Canada to the north. It is also served by U.S. Route 11 and New York State Routes #3, #12 and #37. The District is also served with air transportation from the Watertown International Airport and by three bus lines. The Syracuse-to-Massena branch of the Conrail System serves the District.

The City of Watertown is the commercial, professional and industrial center for District residents, as well as residents through Jefferson County and parts of Oswego, Lewis and St. Lawrence Counties. Major industry categories include paper making machinery, air brakes, hydraulic pumps, transmissions and thermometers.

Population

The current estimated population of the District is 31,029 (2010 U.S. Census Bureau estimate).

Five Largest Employers

Name	Type	Employees
Fort Drum	U.S. Army	23,077 (1)
Samaritan Medical Center	Hospital	1,800
Jefferson County	Government	819
Stream International	Customer Relationship Management Services	700
Jefferson Rehabilitation Center	Rehabilitation Center for Individuals with Developmental Disabilities	650

(1) This amount includes military and civilians. Both of these are expected to increase substantially with the increased number of troops stationed at the base. Due to military deployment the actual number of personnel is frequently changing

Five Largest Taxpayers

Name	**Type**	**Full Valuation**
National Grid	Utility	$40,214,403
Erie Blvd Hydro	Utility	15,404,150
Arsenal Street Associates (Price Chopper Plaza)	Shopping Center	12,503,600 [1]
WGS Housing Arsenal Associates, LLC	Apartment Complex	10,519,000
Ontario Apartments, LLC	Housing	9,090,300

[1] Has filed tax certiorari to lower assessment. The outcome of such proceedings is not known at this time, however the District does not anticipate the result to have an adverse impact of the District finances. The District currently has a tax certiorari reserve of $1,230,590 to offset any outcome.

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 9% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Jefferson County.

Year Average

	2007	**2008**	**2009**	**2010**	**2011**
Jefferson County	5.5%	6.8%	9.0%	9.6%	9.7%
New York State	4.6	5.4	8.3	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2006-07	**2007-08**	**2008-09**	**2009-10**	**2010-11**	**2011-12**	**Projected 2012-13**	**Projected 2013-14**
K-12	4,602	4,284	4,019	4,213	4,324	4,267	4,367	4,467

Note: The District anticipates enrolment increases of 100 per year for 2012-1, 2013-14 and 2014-15 as a result of new housing developments which are driven by Fort Drum.

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
345	Watertown Educational Association	6/30/09[1]
202	Non Union	Annually
96	Instructional Teachers Assistants' Association	6/30/15
52	Civil Service Employees' Association	6/30/12[1]
43	Educational Cafeteria Workers' Association	6/30/13
42	12 Month Clerical and Support Association	6/30/12[1]
15	School Administrators' Association	6/30/11[1]

(1) Currently under negotiations.

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012[1]

	Based on Conventional Equalization Rates	Based On Special Equalization Ratios
Five Year Average Full Valuation of Taxable Real Property	$ 1,485,521,069	$ 1,628,393,524
Debt Limit (5% of full valuation)[2]	74,276,053	81,419,676
Outstanding Indebtedness[3]		
Inclusions		
Bonds	$ 31,838,000	$ 31,838,000
Bond Anticipation Notes	15,975,000	15,975,000
Total Inclusions	$ 47,813,000	$ 47,813,000
Exclusions		
Bonds Previously Refunded	$ 0	$ 0
Appropriations	1,743,000	1,743,000
Total Exclusions	$1,743,000	1,743,000$
Total Net Indebtedness	$46,070,000	$46,070,000
Net Debt Contracting Margin	$28,206,053	$35,349,676
Percentage of Debt Contracting Power Exhausted	62.03%	56.58%

(1) The District has not incurred any indebtedness since the date of this table. The District expects to deliver $11,570,000 School District Bonds to the Authority in connection with the refunding of $12,532,966 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

(2) The District's constitutional debt limit has been computed using special equalization ratios established by the State Office of Real Property Tax Services pursuant to Art-12-B of the Real Property Tax Law. "Conventional" State equalization rates are also established by the State Board, and are used for all other purposes.

(3) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the constitutional debt limit of the District.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
Counties of:					
Jefferson	$20,560,000	$0	$20,560,000	26.0%	$5,345,600
City of:					
Watertown	31,076,344	16,748,403	14,327,941	100.00%	14,327,941
Towns of:					
LeRay	7,539,846	7,539,846	0	18.4%	0
Pamelia	3,643,875	3,643,875	0	11.5%	0
Rutland	5,026,703	1,903,703	3,123,000	2.9%	90,567
Watertown	8,165,405	5,095,036	3,070,369	72.5%	2,226,018
				Total	$21,990,126

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.

(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012.

Debt Ratios
As of May 15, 2012[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$47,813,000	$1,540.91	2.61%
Gross Indebtedness Plus Net Overlapping Indebtedness	69,803,126	2,249.61	3.80

(1) The District has not incurred any indebtedness since the date of the above table.

(2) Based on the District's current estimated population of 31,029.

(3) Based on the District's full value of taxable real estate using the special State equalization rates for 2011-12 of $1,523,081,170.

(4) The District expects to deliver $11,570,000 School District Bonds to the Authority in connection with the refunding of $12,532,966 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already accounted for in the above calculations.

Cash Flow Borrowing

The District does not issue Tax Anticipation Notes or Revenue Anticipation Notes. The last such issuance occurred in the 2001-02 fiscal year. The District does not anticipate issuing Tax Anticipation Notes or Revenue Anticipation Notes in the current fiscal year or the 2012-13 fiscal year.

Capital Project Plans

The District is undertaking a $16,355,605 capital project. The District has $16,255,000 bond anticipation notes outstanding against this authorization which mature on September 16, 2011. The District currently has $15,975,000 bond anticipation notes outstanding. Issuance of the School District Bonds will permanently finance $12,532,966 of the outstanding notes and the District anticipates renewing the remainder as bond anticipation notes in July 2012. The remaining amount will be permanently financed in 2013 or 2014 with serial bonds.

There are no other projects authorized at the present time.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

City School District of the City of Watertown
http://emma.msrb.org/EA478320-EA370811-EA767615.pdf
Base CUSIP: 942112

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

The District levies its own taxes prior to the end of September, and collects such taxes, which are due during October without penalty. Penalties for delinquent taxes are as follows:

2% in November and 4% in December after which the delinquent taxes are turned over to the City Tax Collector for those properties within the City and to the County Treasurer for those properties outside the City. Delinquent taxes on property in and outside the City are subject to tax sale. The District receives the full amount of all the uncollected taxes on property outside the City from the County by the end of its fiscal year, and the full amount of uncollected taxes on property within the City during the next fiscal year.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
City of:					
Watertown	$986,409,227	$1,018,383,273	$1,025,259,503	$1,031,704,694	$1,040,847,362
Towns of:					
LeRay	83,002,929	92,156,319	96,555,056	95,919,375	98,950,045
Pamelia	6,921,628	6,817,041	6,852,459	6,811,873	6,516,781
Rutland	3,556,112	3,617,997	3,596,423	3,539,526	3,547,017
Watertown	198,453,479	201,216,785	206,247,145	207,910,143	211,855,975
Total Assessed Valuation	$1,278,343,375	$1,322,191,415	$1,338,510,586	$1,345,885,611	$1,361,717,180

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
City of:					
Watertown	100.00%	97.00%	92.50%	95.00%	95.00%
Towns of:					
LeRay	100.00	100.00	100.00	100.00	100.00
Pamelia	64.50	60.00	58.50	56.50	56.50
Rutland	80.00	74.00	71.00	67.00	65.50
Watertown	66.00	64.50	64.00	68.00	68.00
Taxable Full Valuation	$1,385,275,592	$1,470,250,910	$1,543,983,862	$1,505,013,813	$1,523,081,170

Special State Equalization Ratios
Years Ending June 30,

	2008	2009	2010	2011	2012
City of:					
Watertown	94.43%	89.76%	91.48%	84.62%	78.34%
Towns of:					
LeRay	76.61	85.54	92.69	86.62	78.41
Pamelia	56.98	56.14	54.27	49.25	44.59
Rutland	71.13	69.30	65.63	60.34	55.27
Watertown	62.27	62.31	66.32	62.59	59.03
Taxable Full Valuation	$1,488,783,132	$1,582,589,500	$1,554,011,341	$1,681,831,768	$1,834,751,879

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$13,133,524	$13,556,564	$13,556,564	$13,759,913	$14,035,011
% Uncollected When Due[1]	2.73%	4.77%	4.46%	5.08%	4.25%

[1] See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[1]	Total Revenues[1]	Percentage of Total Revenues Consisting of State Aid[1]
2007-2008	$28,449,552	$54,249,584	52.44%
2008-2009	37,926,787	57,489,114	65.97
2009-2010	35,678,843	54,528,515	65.43
2010-2011	37,947,856	55,841,652	67.96
2011-2012 (Budgeted)	36,457,337	52,826,698	69.01
2012-2013 (Budgeted)	37,222,642	54,667,181	68.09

[1] General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$423,887	$1,919,246
2008-2009	362,962	1,741,023
2009-2010	369,200	1,253,369
2010-2011	614,000	1,756,352
2011-2012 (Budgeted)	780,086	2,155,149
2012-2013 (Budgeted)	938,100	2,708,375

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with an actuarial firm to assist in the determination of the costs and liabilities associated with the District's OPEB plan (the "Plan"). This analysis has been completed in accordance with GASB Statement No. 45; Accounting and Financial Reporting by Employers for Post-Employment Benefits other than Pensions. Based on the most recent actuarial evaluation dated June 30, 2010, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $123,678,628. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $123,678,628. The School District's beginning year Net OPEB obligation was $7,146,181. The School District's annual OPEB expense was $10,567,036 and is equal to the adjusted annual required contribution (ARC). The School District is on a pay-as-you-go funding basis and paid $3,351,206 to the Plan for the fiscal year ending June 30, 2010, resulting in a net increase to its unfunded OPEB obligation of $7,215,830 for the fiscal year ending June 30, 2010 and a total net unfunded OPEB obligation of $14,362,011. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the School District's June 30, 2010 financial statements. The District's unfunded actuarial accrued OPEB liability could have a material adverse impact upon the District's finances overtime and could force the District to reduce services, raise taxes or both. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's revenues exceeded its expenditures by $2,509,533 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $9,994,280 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

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Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$3,607,933	$0	$3,607,933
2012-2013	3,608,251	1,108,696	4,716,947
2013-2014	3,607,483	1,104,344	4,711,827
2014-2015	3,378,786	1,105,919	4,484,705
2015-2016	3,371,961	1,113,019	4,484,980
2016-2017	3,377,958	1,107,694	4,485,652
2017-2018	3,378,183	1,106,469	4,484,652
2018-2019	3,376,056	1,105,469	4,481,525
2019-2020	3,379,438	1,113,069	4,492,507
2020-2021	3,374,916	1,104,369	4,479,285
2021-2022	3,376,523	1,104,894	4,481,417
2022-2023	1,870,600	1,108,894	2,979,494
2023-2024	1,868,950	1,105,519	2,974,469
2024-2025	1,870,500	700,144	2,570,644
2025-2026	1,530,900	430,019	1,960,919
2026-2027		291,375	291,375
2027-2028		292,759	292,759
2028-2029		288,731	288,731
2029-2030		289,450	289,450
2030-2031		142,363	142,363

APPENDIX C-20
DESCRIPTION OF
WINDSOR CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-20 a brief description of the Windsor Central School District (the "District"), together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and general and specific funds.

GENERAL INFORMATION

Description

The District is located in upstate New York in the eastern portion of the County of Broome. The City of Binghamton is approximately 15 miles west. The District encompasses approximately 119 square miles of land area. Major highways of service to the District include Interstate Route 81, U.S. Route 17 (I-86) and State highways 7 and 79.

The District is mixed in character; primarily commercial and industrial to the north and west near Binghamton and primarily residential and agricultural to the south and east near the Catskills. Professional and commercial services are available to residents in Binghamton. Commercial banking services are provided by HSBC Bank USA, in Windsor; National Bank & Trust Company of Norwich, in Afton; and JPMorgan Chase Bank and KeyBank, N.A. in Binghamton.

Many of the residents are employed in the more than 350 manufacturing firms in Broome County. Located in the School District are the L3 Communications, Link Simulation & Training, Frito Lay, Putnam Publishing Group, Willow Run Foods, American Pipe & Plastics, Inc. Other firms in the County include International Business Machines Corporation (IBM), manufacturing data-processing equipment and computer circuits; Universal Instruments Corporation, manufacturing printed circuit board assembly machines, component preparation machines, and semi-automatic wire termination machines; the Raymond Corporation, manufacturing narrow-aisle electric fork-lift trucks as well as Impress (recycling), Crowley Foods, and Rockwell Collins.

Police protection is afforded residents through local and State agencies. Fire protection is provided by various volunteer fire departments.

Population

The current estimated population of the District is 10,757 (2010 U.S. Census Bureau estimate).

Five Largest Employers

Name	Type	Employees
NYSEG	Utility	800
Frito-Lay	Manufacturing	540
Felchar Manufacturing	Manufacturing	400
Willow Run Foods	Food Distributor	385
Windsor Central School District	Public School District	327

Five Largest Taxpayers

Name	Type	Full Valuation
NYSEG	Utility	$19,777,396
Willow Run Foods	Food Distributor	15,971,900
Putnam Publishing	Book Publisher	11,800,000
L3 Communications	Manufacturing	9,600,000
Frito Lay, Inc.	Manufacturing	5,390,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 18.9% of the tax base of the District.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest area for which such statistics are available (which includes the District) is Broome County.

Year Average

	2007	2008	2009	2010	2011
Broome County	4.5%	5.6%	8.3%	8.8%	8.5%
New York State	4.5	5.3	8.4	8.6	8.2

Enrollment

The table below presents the District's historic and projected enrollment.

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	1,913	1,908	1,894	1,937	1,960	1,847	1,840	1,840

District Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

Number of Employees	Bargaining Unit	Contract Expiration Date
10	Windsor Administrations' Association	June 30, 2014
170	Windsor Teachers' Association	June 30, 2014
58	Windsor Custodial and Transportation Staff	June 30, 2014
68	Association of Office Personnel and School Aides	June 30, 2014

DISTRICT INDEBTEDNESS

Debt Limit

The table below sets forth the computation of the debt limit for the District and its debt contracting margin.

Net Debt Contracting Margin
As of May 15, 2012 [1]

Full Valuation of Taxable Real Property	$609,364,484
Debt Limit (10% of Full Valuation)	60,936,448
Gross Indebtedness[2]	$33,289,335
Less: Exclusions – Estimated Building Aid[3]	0
Total Net Indebtedness	$33,289,335
Net Debt Contracting Margin	$27,647,113
Percentage of Debt Contracting Power Exhausted	54.63%

(1) The District has not incurred any indebtedness since the date of this table.

(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $8,835,000 School District Bonds to the Authority in connection with the refunding of $9,854,627 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2011 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
Counties of:					
Broome	$191,488,523	$40,646,941	$150,841,582	7.09%	$10,694,668
Towns of:					
Windsor	8,198,755	7,872,982	325,774	99.63	324,568
Colesville	226,250	0	226,250	8.49	19,208
Sanford	1,210,000	0	1,210,000	4.45	53,845
Kirkwood	1,902,674	1,719,674	183,000	74.98	137,213
Villages of:					
Windsor	37,500	37,500	0	100.00	0
				Total	$11,229,502

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond sales, if any.
(2) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of May 15, 2012

Debt Ratios
As of May 15, 2012 [1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$33,289,335	$3,094.67	5.46%
Gross Indebtedness Plus Net Overlapping Indebtedness	44,518,838	4,138.59	7.31

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 10,757.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $609,364,484.
(4) The District expects to deliver $8,835,000 School District Bonds to the Authority in connection with the refunding of $9,854,627 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as they are already included in Gross Indebtedness above.

Cash Flow Borrowing

The following is a history of Tax Anticipation Note ("TAN") and Revenue Anticipation Note ("RAN") borrowings for the last five years.

Fiscal Year	Amount	Type	Issue Date	Due Date
2006-2007	$1,000,000	RAN	8/16/2006	11/30/2006

The District has not issued Revenue Anticipation Notes for the last four fiscal years and does not expect to issue such notes in the current fiscal year. The District does not expect to issue revenue anticipation notes or tax anticipation notes in the foreseeable future.

Capital Project Plans

The District has $17,658,471 bond anticipation notes outstanding and maturing June 15, 2012, and issued against the below authorizations:

On July 8, 2008, the Board of Education adopted a $5,500,000 bond resolution for various building improvements. The District will use EXCEL aid of $602,144 which will offset the majority of tax impact. Pending future market conditions the District anticipates permanently financing this project in June 2012.

On February 10, 2009, the Board of Education adopted a $13,910,516 (total project of $15,660,516 less $1,750,000 capital reserve monies) bond resolution for various building improvements. The District will use EXCEL aid of approximately $90,644 which, along with the capital reserve, will offset the majority of the tax impact, taking into account anticipated State Aid. Pending future market conditions the District anticipates permanently financing this project in June 2012.

The School District has no additional bond authorizations for other purposes that remain unissued nor are there any additional plans for capital projects at this time.

FINANCIAL FACTORS

General Information

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. A statement of such revenues and expenditures is contained in the most recent audited financial statements on file with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Windsor Central School District
http://emma.msrb.org/IssuerView/IssuerDetails.aspx?cusip=973675
Base CUSIP: 973675

As reflected in such audited financial statements, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

Real Estate Property Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2nd to November 1st. On or about November 15th, uncollected taxes are returnable to the County for collection. The District receives this amount from said County prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by the County.

Valuations, Rates and Tax Levy

The table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Colesville	$1,535,459	$1,578,560	$1,598,810	$1,590,199	$1,623,588
Kirkwood	204,615,961	204,370,534	204,666,386	204,797,551	205,527,810
Sanford	6,551,363	6,707,623	6,710,823	6,687,298	7,010,098
Windsor	213,000,617	214,096,736	214,709,089	214,420,394	216,605,311
Total Assessed Valuation	$425,703,400	$426,753,453	$427,685,108	$427,495,442	$430,766,807

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Colesville	8.90%	8.46%	7.60%	7.90%	7.70%
Kirkwood	87.00	80.00	77.00	77.00	79.50
Sanford	74.00	69.00	62.00	60.00	62.50
Windsor	75.00	69.00	66.50	66.50	68.00
Taxable Full Valuation	$545,297,124	$594,128,587	$620,532,194	$619,682,126	$609,364,484

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$10,778,911	$10,778,911	$10,778,911	$11,314,522	$11,719,539
% Uncollected When Due(1)	6.6%	6.6%	7.2%	7.1%	7.8%

(1) See "Real Estate Property Tax Collection Procedure."

State Aid

The District receives State aid for operating and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. The table below illustrates the percentage of total revenues of the District comprised of State aid for each of the past four completed fiscal years and the budgeted figures for the current and upcoming fiscal years.

State Aid and Revenues

Fiscal Year	Total State Aid[(1)]	Total Revenues[(1)]	Percentage of Total Revenues Consisting of State Aid[(1)]
2007-2008	$16,701,511	$29,417,416	56.77%
2008-2009	18,348,636	30,820,474	59.53
2009-2010	17,982,308	31,911,492	56.35
2010-2011	16,363,789	30,652,633	53.38
2011-2012 (Budgeted)	16,808,637	30,532,990	55.05
2012-2013 (Budgeted)	16,962,093	31,522,856	53.81

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 and 2012-2013 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$201,124	$837,600
2008-2009	200,674	802,905
2009-2010	214,900	681,895
2010-2011	367,000	978,486
2011-2012 (Budgeted)	475,000	1,221,295
2012-2013 (Budgeted)	508,000	1,322,999

See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *Pension Payments*."

GASB 45 and OPEB

The District contracted with Questar III BOCES to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of July 1, 2010 the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $27,478,636. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $27,478,636. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $5,177,767. The District's annual OPEB expense was $2,800,365 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $1,014,456 to the Plan for the fiscal year ending June 30, 2011 to 161 employees, resulting in a net increase to its unfunded OPEB obligation of $1,785,908, for the fiscal year ending June 30, 2011 and a total net unfunded OPEB obligation of $5,177,767. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to the most recent audit and information from the District and has not been audited.

Recent Operating Results

The District's revenues exceeded its expenditures by $531,198 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $1,180,844 at the end of the fiscal year. The District does not believe that there has been any material adverse change in its financial affairs since the date of its last audited financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

The 2012-13 District budget was approved by voters on May 15, 2012.

Principal and Interest Requirements

A schedule of the District's debt service on all outstanding indebtedness, including the School District Bonds, is presented below.

Schedule of Debt Service on Long-Term Bond Indebtedness[1]

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$2,938,974	$ 0	$2,938,974
2012-2013	2,993,974	878,499	3,872,473
2013-2014	3,068,974	875,913	3,944,887
2014-2015	3,173,974	881,913	4,055,887
2015-2016	3,203,942	876,913	4,080,855
2016-2017	410,000	880,913	1,290,913
2017-2018		878,413	878,413
2018-2019		874,663	874,663
2019-2020		879,663	879,663
2020-2021		877,913	877,913
2021-2022		874,663	874,663
2022-2023		879,913	879,913
2023-2024		878,163	878,163
2024-2025		879,663	879,663
2025-2026		879,163	879,163
2026-2027		78,663	78,663
2027-2028		36,225	36,225

SUMMARY OF CERTAIN PROVISIONS OF THE FINANCING AGREEMENTS

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SUMMARY OF CERTAIN PROVISIONS OF THE FINANCING AGREEMENTS

The following is a brief summary of certain provisions of the Financing Agreements to be executed by each of the School Districts. Such summary does not purport to be complete and reference is made to the Agreement for full and complete statements of such provisions. Defined terms used in the Agreement have the meanings ascribed to them in Appendix A or in the body of this Official Statement.

Loan Clauses

(A) Loan Consummation. Subject to the conditions and in accordance with the terms of the Agreement, the Authority agrees to make the Loan and the School District agrees to accept and repay the Loan in an aggregate principal amount of up to the Principal Amount at a net interest cost not to exceed the Maximum Rate. As evidence of the Loan made to the School District, the School District agrees to issue to or upon the order of the Authority, and to deliver to or upon the order of the Authority, the School District Bonds in an aggregate principal amount of up to the Principal Amount, bearing interest at rates not exceeding the Maximum Rate and expected to mature at the times and in the amounts set forth in the Agreement.

(B) Payment to Trustee. On the dates set forth in the Agreement, the School District will deposit or cause to be deposited with the Trustee the full amount of the payment due on the School District Bonds on such dates, respectively; provided, however that the School District agrees to pay the amount due on such initial payment date on or before the date of issuance of the Authority Bonds or on such other date as maybe set forth in the Agreement. Amounts so deposited by the School District prior to the payment date for the Authority Bonds will be invested by the Trustee at the direction of the Authority. Investment earnings on such amounts will accrue to the benefit of the School District and will be paid to the School District at the direction of the Authority in accordance with the section of the Agreement described below under the heading "Application of Interest Earnings."

(C) Pledge and Assignment. The School District assigns and pledges to the Authority a sufficient portion of any and all public funds to be apportioned or otherwise to be made payable by the State to the School District to cover the payments required by the Agreement and directs and acknowledges that such amounts will be paid directly to the Trustee as provided in the Act and the Memorandum of Understanding upon the occurrence of any Event of Default under the Agreement. Such assignment and pledge is irrevocable and will continue until the date on which the liabilities of the Authority and the School District with respect to the Project have been discharged and the School District's Proportionate Share of the Authority Bonds has been paid or otherwise discharged. The School District agrees that it will not create or suffer to be created any pledge or assignment of the public funds mentioned in the Agreement to be apportioned or otherwise payable by the State other than pledges or assignments to secure subsequent Series of Authority Bonds or to secure bonds issued by any agency or instrumentality of the United States of America or the State of New York or any authority, agency or political subdivision thereof, or as otherwise consented to in writing by the Authority.

(Section 3.1)

Other Amounts Payable

(A) The School District expressly agrees to pay to the Authority:

(i) Upon the issuance and sale of the Authority Bonds, the initial financing fee, the Authority's annual administrative fee and its Proportionate Share (or such other portion thereof as shall be agreed upon by the School District and the Authority) of the costs and expenses of the Authority in the preparation, sale and delivery of the Authority Bonds, the preparation and delivery of any legal instruments, closing transcripts and documents necessary in connection therewith and with the Agreement their filing and recording, if required, and all taxes and charges payable in connection with any of the foregoing, all as specified in the Notice of Terms. Such costs are payable from the sources identified in Exhibit C to the Agreement and in the amount specified in the Notice of Terms, subject to the limit set forth in the Agreement;

(ii) Other Costs of Issuance payable to consultants and attorneys utilized by the School District in connection with the issuance of the School District Bonds as set forth in the Notice of Terms;

(iii) As such expenses are incurred, the amount of any Authority expenses (including but not limited to investment losses and the reasonable fees and expenses of the Authority, the Trustee, the owners of Authority Bonds, and attorneys representing any of the foregoing) incurred as a result of the School District's failure to make any payment on the School District Bonds when due or failure to otherwise comply with the terms of the Agreement or the School District Bonds; and

(iv) In the event that after the date set forth in the Agreement the School District does not proceed to the closing of the Loan, the fees of the Authority's bond counsel incurred with respect to the School District's Loan.

(B) Indemnification. To the extent permitted by law, the School District agrees to indemnify, defend and hold harmless the Authority and each member, officer and employee of the Authority against any and all liabilities, losses, costs, damages or claims, and will pay any and all judgments or expenses of any and all kinds or nature and however arising, imposed by law, including interest thereon, which it or any of them may sustain, be subject to or be caused to incur by reason of any claim, action, suit, charge or proceeding arising from or out of (1) the making of the Loan by the Authority to the School District, (2) any failure by the School District to deliver the School District Bonds to the Authority or (3) an allegation that an official statement, prospectus, placement memorandum or other offering document prepared in connection with the sale and issuance of the Authority Bonds contained an untrue or misleading statement of a material fact obtained from the School District relating to the School District or the Project, or omitted to state a material fact relating to the School District or the Project necessary in order to make the statements made therein in light of the circumstances under which they were made not misleading; provided, however, that neither the Authority nor a member, officer or employee of the Authority will be released, indemnified or held harmless from any claim for damages, liability, loss, cost, damage, judgment or expense arising out of the gross negligence or willful misconduct of the Authority, such member, officer or employee.

The Authority agrees to give the School District prompt notice in writing of the assertion of any claim or the institution of each such suit, action or proceeding and to cooperate with the School District in the investigation of such claim and the defense, adjustment, settlement or compromise of any such action or proceeding. The Authority will not settle any such suit, action or proceeding without the prior written consent of counsel to the School District.

Except as provided in the following paragraph, the School District, at its own cost and expense, will defend any and all suits, actions or proceedings which may be brought or asserted against the Authority, its members, officers or employees for which the School District is required to indemnify the Authority or hold the Authority harmless, but this provision will not be deemed to relieve any insurance company which has issued a policy of insurance as may be provided for in the Agreement from its obligation to defend the School District, the Authority and any other insured named in such policy of insurance in connection with claims, suits or actions covered by such policy.

The Authority and each member, officer or employee thereof will, at the cost and expense of the School District, be entitled to employ separate counsel in any action or proceeding arising out of any alleged act or omission which occurred or is alleged to have occurred while the member, officer or employee was acting within the scope of his or her employment or duties in connection with the issuance of the Authority Bonds or the refinancing or use of the Project, and to conduct the defense thereof, in which (i) the counsel to the School District determines, based on his or her investigation and review of the facts and circumstances of the case, that the interests of such person and the interests of the School District are in conflict, or in the event such counsel determines that no conflict exists, a court of competent jurisdiction subsequently determines that such person is entitled to employ separate counsel, or (ii) such person may have an available defense which cannot as a matter of law be asserted on behalf of such person by the School District or by counsel employed by it, or (iii) such person may be subject to criminal liability, penalty or forfeiture, or (iv) the School District has consented to the employment of separate counsel or the counsel retained by the School District pursuant to the Agreement is not reasonably acceptable to the Authority; provided, however, that the School District will not be liable for attorneys' fees of separate counsel so retained or any other expenses incurred in connection with the defense of an action or proceeding described in clause (iii) of this paragraph, unless the member, officer or employee has prevailed on the merits or such action or proceeding was dismissed or withdrawn, or an adverse judgment was reversed upon appeal, and such action or proceeding may not be recommenced. Attorney's fees of separate counsel retained in accordance with this paragraph will be paid only upon the audit of an appropriate School District officer.

(Section 3.2)

Application of Loan Proceeds and Unspent Proceeds

(A) To the extent the proceeds of the Loan are to be used to pay costs of issuance of Authority Bonds or School District Bonds or any amounts payable to the Authority under the Agreement, the portion of the proceeds to be so used will be held on deposit with the Trustee for the account of the School District. Amounts so deposited will be invested and disbursed in accordance with the Master Resolution and the Series Resolution.

(B) To the extent the proceeds of the Loan are to be used to refinance the Refunded Obligations, the Authority will direct the Trustee to pay the Refunded Obligations or to deposit the portion of the proceeds to be so used in a separate account established with the Bank (not commingled with any other funds of the School District) to pay the Refunded Obligations as they become due. Amounts in such account will be invested as directed by the Authority in Government Obligations. Earnings, if any, on such amounts will be credited against amounts due from the School District pursuant to the Agreement. The School District covenants and agrees to pay directly to the paying agent for the Refunded Obligations any principal and/or interest due on the Refunded Obligations on their redemption date in excess of the amount held pursuant to the Financing Agreement for the payment of the Refunded Obligations.

(C) To the extent that the proceeds of the Loan are to be used to finance the Project, they will be maintained in a separate account established with the Bank (not commingled with any other funds of the School District) pursuant to Section 165.00 of the Local Finance Law and Sections 10 and 11 of the General Municipal Law and maintained in accordance with the provisions of the Arbitrage and Use of Proceeds Certificate. Amounts in such account will be invested as directed by the School District in accordance with the General Municipal Law. Earnings, if any, on such amounts will be credited against amounts due from the School District pursuant to the Agreement. Disbursements will be made from such account upon delivery to the Bank of a written requisition of the School District stating that such disbursement is (1) for payment to the School District for the reimbursement of costs of the Project previously paid by the School District or (2) for direct payment of Project costs, accompanied by copies of the invoice(s) to be paid.

(D) The School District expressly acknowledges and agrees that, with respect to any remaining unspent proceeds of the Refunded Obligations, either (i) such proceeds are required for the completion of the Project and the School District will, prior to issuance of the Authority Bonds, unless otherwise directed or agreed to by the Authority, transfer any remaining unspent proceeds of the Refunded Obligations to the account established pursuant to subsection (C) above to be applied in accordance with such subsection or (ii) to the extent that the unspent proceeds of the Refunded Obligations are not needed to complete the Project the School District will, unless otherwise directed by the Authority, transfer any remaining unspent proceeds of the Refunded Obligations to the account established pursuant to subsection (B) above to be applied in accordance with such subsection.

(E) The School District expressly acknowledges and agrees that the Authority will have the right to obtain and review the records of the Bank relating to accounts established for the School District pursuant to the Agreement and hereby authorizes the Bank to deliver copies of such records to the Authority upon request of the Authority. The School District covenants and agrees to maintain records with respect to the Project costs for a period of not less than three (3) years subsequent to the maturity or earlier redemption of the Authority Bonds and expressly acknowledges and agrees to provide copies of such records to the Authority upon request.

(Section 3.4)

Effective Date and Term

The date of the Agreement is for reference purposes only and the Agreement will become effective upon the date of execution and delivery of the Agreement, will remain in full force and effect from such date and will expire on such date as all Authority Bonds are discharged and satisfied in accordance with the provisions thereof and all obligations of the School District to the Authority are satisfied.

(Section 3.5)

Trustee; Investment of Loan Proceeds and School District Bond Prepayments

The School District authorizes the Trustee to invest, in accordance with instructions of the Authority, amounts that are held by the Trustee for the account of the School District in accordance with the provisions of the Master Resolution. The School District acknowledges that the Authority and the Trustee will not be liable or responsible for any loss, direct or indirect, resulting from any investment authorized by the Master Resolution and the Agreement or from the redemption, sale or maturity of any such investment as therein authorized or from any depreciation in value of any such investment.

(Section 3.7)

Authorization to Acquire Investments

The School District authorizes the Authority to acquire the investments, if any, required by the Agreement, including forward purchase contracts.

(Section 3.9)

Application of Interest Earnings

The Authority agrees that it will cause to be deposited in the Debt Service Fund the interest earned and paid on the investment of moneys in the Debt Service Fund. Pursuant to the Master Resolution, the Authority agrees that, so long as no event of default has occurred under the Agreement, the Authority will pay to the School District annually the School District's Allocable Portion (as determined by the Authority) of excess amounts in the Debt Service Fund described in the Resolution.

(Section 3.10)

Compliance with Laws and Agreements

(A) Compliance. The School District agrees that the Project will at all times during the term of any Loan be in compliance with applicable federal and State laws and regulations. The School District will at all times construct and operate (or cause to be constructed and operated) the Project, in compliance with all applicable federal, State and local laws, ordinances, rules, regulations (including approvals of the State Education Department) and the Agreement, and with all other applicable laws and regulations to the extent necessary to ensure the availability of the Project for its intended purposes and to ensure the safety of the public.

(B) SEQRA. The School District certifies with respect to the Project that it has complied, and agrees to continue to comply, with all requirements of the State Environmental Quality Review Act.

(Section 4.1)

No Warranty Regarding Condition, Suitability or Cost of Project

The Authority makes no warranty, either express or implied, as to the Project or its condition or that it is suitable for the School District's purposes or needs, or that the proceeds of the Loan are sufficient to pay the costs of the Project. Nothing in the Agreement will relieve the School District of its responsibility to properly plan, design, build and effectively operate and maintain the Project as required by laws, regulations, permits and good management practices. The School District acknowledges and agrees that the Authority or its representatives are not responsible for increased costs resulting from defects in the plans, design drawings and specifications or other Project documents.

(Section 4.2)

Construction of Project

(A) Construction. To the extent, if any, that the Project is not yet complete, the School District agrees to ensure that the Project is constructed expeditiously.

(B) Completion Certificate. To the extent, if any, that the Project is not yet complete, the School District will deliver to the Authority a certificate of the School District stating that the Project has been completed in accordance with the Agreement within seven (7) Business Days following such completion.

(Section 4.3)

Application of Loan Proceeds

The School District will apply the proceeds of the Loan solely as provided in the Agreement.

(Section 5.1)

Tax Covenant

The School District covenants that it will not take any action or inaction, nor fail to take any action or permit any action to be taken, with respect to the Project or the portion of the proceeds of the Authority Bonds made available to it as part of the Loan including amounts treated as proceeds of the Authority Bonds for any purpose of Section 103 of the Code, if any such action or inaction would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Authority Bonds under Section 103 of the Code. This provision will control in case of conflict or ambiguity with any other provision of the Agreement. Without limiting the generality of the foregoing, the School District covenants that it will comply with the instructions and requirements of the Arbitrage and Use of Proceeds Certificate, which is fully incorporated into the Agreement. The School District covenants that it will not take any action or inaction, nor fail to take any action or permit any action to be taken, if any such action or inaction, which, assuming the School District Bonds were issued as bonds the interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code, would cause the School District Bonds to be "private activity bonds," "private loan bonds," "arbitrage bonds" or "prohibited advance refunding bonds" within the meaning of Sections 141, 148 or 149 of the Code. The School District (or any related party within the meaning of Treasury Regulation Section 1.150-1(b)) will not, pursuant to an arrangement, formal or informal, purchase Authority Bonds in an amount related to the amount of any obligation to be acquired from the School District by the Authority. The School District will, on a timely basis, provide the Authority with all necessary information and funds to the extent required to enable the Authority to comply with the arbitrage and rebate requirements of the Code.

(Section 5.2)

Covenant as to Restrictions on Religious Use

The School District agrees that with respect to the Project or any portion thereof, so long as the Project or portion thereof exists and unless and until the Project or portion thereof is sold for the fair market value thereof, the Project or, any portion thereof will not be used for sectarian religious instruction or as a place of religious worship or in connection with any part of a program of a school or department of divinity for any religious denomination; provided, however, that the foregoing restriction will not prohibit the free exercise of any religion and will not restrict or inhibit compliance with the Equal Access Act, 20 U.S.C. Sections 4071-4074; and, further provided, however, that if at any time hereafter, in the opinion of Bond Counsel, the then applicable law would permit the

Project or a portion thereof to be used without regard to the above stated restriction, said restriction will not apply to the Project or any portion thereof. The Authority and its agents may conduct such inspections as the Authority deems necessary to determine whether the Project or any portion of real property thereof refinanced by the Authority Bonds is being used for any purpose proscribed under the Agreement. The School District further agrees that prior to any disposition of any portion of the Project for less than fair market value, it will execute and record in the appropriate real property records an instrument subjecting, to the satisfaction of the Authority, the use of such portion of the Project to the restriction that (i) so long as such portion of the Project (and, if included in the Project, the real property on or in which such portion of the Project is situated) will exist and (ii) until such portion of the Project is sold or otherwise transferred to a person who purchases the same for the fair market value thereof at the time of such sale or transfer, such portion of the Project will not be used for sectarian religious instruction or as a place of religious worship or used in connection with any part of the program of a school or department of divinity of any religious denomination. The instrument containing such restriction will further provide that such restriction may be enforced at the instance of the Authority or the Attorney General of the State, by a proceeding in any court of competent jurisdiction, by injunction, mandamus or by other appropriate remedy. The instrument containing such restriction will also provide that if at any time thereafter, in the opinion of Bond Counsel, the then applicable law would permit such portion of the Project, or, if included in the Project, the real property on or in which such portion is situated, to be used without regard to the above stated restriction, then said restriction will be without any force or effect. For the purposes of the Agreement an involuntary transfer or disposition of the Project or a portion thereof, upon foreclosure or otherwise, will be considered a sale for the fair market value thereof.

(Section 5.3)

Payment of School District Bonds

The School District covenants and agrees that it will duly and punctually pay or cause to be paid the principal installments or redemption price of its School District Bonds and the interest thereon, at the dates and places and in the manner stated in such School District Bonds and in accordance with the section of the Agreement described above under the heading “Loan Clauses” hereof and that such obligation will not be subject to any defense (other than payment) or any rights of setoff, recoupment, abatement, counterclaim or deduction and will be without any rights of suspension, deferment, diminution or reduction it might otherwise have against the Authority, the Trustee or the owner of any Authority Bond.

(Section 5.4)

Actions Regarding State Aid

The School District covenants and agrees that it will submit to the State all documentation required by the State as a condition to the payment of any State aid in sufficient time to permit such aid to be paid on its scheduled payment date.

(Section 5.5)

Defaults

An “event of default” or a “default” under the Agreement means any one or more of the following events: (a) Failure by the School District to pay or cause to be paid when due the amounts to be paid under the School District Bonds; (b) Failure by the School District to pay or to cause to be paid when due any other payment required to be made under the Agreement which failure continues for a period of thirty (30) days after payment thereof was due, provided that written notice thereof has been given to the School District not less than thirty (30) days prior to the due date thereof; (c) Failure by the School District to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subparagraphs (a) and (b) of this paragraph, which failure continues for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the School District by the Authority or such longer period, as is required to cure such default, if by reason of the nature of such failure the same cannot be remedied within such thirty (30) day period and the School District has within such thirty (30) day period commenced to take appropriate actions to remedy such failure and is diligently pursuing such actions; (d) Any representation or warranty of the School District contained in the Agreement shall have been at the time it was made untrue in any material respect; or (e) The School District generally does not pay its debts as such debts become due, or admits in writing its inability to pay its debts generally, or makes a general assignment for the benefit of creditors; or any proceeding is instituted by or against the School District seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it for any substantial part of its property; or the School District authorizes any of the actions set forth above in this subparagraph (e).

(Section 6.1)

Remedies

Whenever any event of default referred to in the Agreement described under the heading "Defaults" shall have happened and is continuing, the Authority may take whatever action at law or in equity may appear necessary or desirable to collect the payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the School District, including requiring payment to the Trustee of any public funds otherwise payable to the School District by the State of New York as provided in the Memorandum of Understanding, the exercise of any remedy authorized by Article VIII of the State Constitution with respect to obtaining payment on the School District Bonds and any other administrative enforcement action and actions for breach of contract.

(Section 7.1)

No Remedy Exclusive

No remedy is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and in addition to every other remedy given under the Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it, it will not be necessary to give any notice, other than such notice as may be expressly required by the Agreement.

(Section 7.2)

Waiver and Non-Waiver

In the event any agreement is breached by either party and thereafter waived by the other party, such waiver will be limited to the particular breach so waived and will not be deemed to waive any other breach under the Agreement. No delay or omission by the Authority to exercise any right or power accruing upon default will impair any right or power or will be construed to be a waiver of any such default or acquiescence therein.

(Section 7.3)

Amendments, Supplements and Modifications

The Agreement may not be amended, supplemented or modified except by a written instrument executed by the Authority and the School District and, if such amendment occurs after the issuance of the Authority Bonds, upon compliance with the provisions of the Master Resolution.

(Section 8.4)

Further Assurances; Disclosure of Financial Information, Operating Data and Other Information

(A) The School District will, at the request of the Authority, authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be deemed necessary or desirable by the Authority, in its sole discretion, for better assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by the Agreement and the School District Bonds. The School District also agrees to furnish to the Authority such additional information concerning the financial condition of the School District as the Authority may from time to time reasonably request.

(B) Without limiting the generality of the foregoing, the School District agrees to comply with the terms of the Continuing Disclosure Agreement.

(C) If and so long as the offering of the Authority Bonds continues (a) the School District will furnish such information with respect to itself as the Underwriters of the Authority Bonds may from time to time reasonably request and (b) if any event relating to the School District occurs as a result of which it is necessary, in the opinion of Bond Counsel to the Authority, General Counsel of the Authority or counsel for such Underwriters, to amend or supplement the Official Statement of the Authority used in connection with the offering of the Authority Bonds in order to make such information not misleading in light of the circumstances then existing, the School District will forthwith prepare and furnish to the Authority and the Underwriters such information relating to the School District as may be necessary to permit the preparation of an amendment of or supplement to such Official Statement (in form and substance satisfactory to the Bond Counsel to the Authority and counsel for the Underwriters) which will amend or supplement such Official Statement so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make statements therein, in light of the circumstances then existing, not misleading. Unless the School District has been notified to the contrary in writing by the Authority or the Underwriters, the School District is entitled to presume that the offering by the Authority and that its obligations under this paragraph have ceased twenty-five (25) days after the date of delivery of the Authority Bonds.

(Section 8.9)

SUMMARY OF CERTAIN PROVISIONS OF THE MASTER RESOLUTION

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SUMMARY OF CERTAIN PROVISIONS OF THE MASTER RESOLUTION

The following is a brief summary of certain provisions of the Master Resolution. Such summary does not purport to be complete and reference is made to the Master Resolution for full and complete statements of such provisions. Defined terms used in the Master Resolution have the meanings ascribed to them in Appendix A or in the body of this Official Statement.

Master Resolution and Bonds Constitute Separate Contracts

With respect to each Applicable Series of Bonds, in consideration of the purchase and acceptance of any and all of the Bonds of an Applicable Series authorized to be issued under the Master Resolution and under the Applicable Series Resolution by those who hold or own the same from time to time, the Master Resolution and the Applicable Series Resolution are deemed to be and constitute a contract among the Authority, the Trustee and the Holders from time to time of such Bonds, and the pledge and assignment made in the Master Resolution and the covenants and agreements set forth to be performed by or on behalf of the Authority are for the equal and ratable benefit, protection and security of the Holders of any and all of such Bonds of an Applicable Series, all of which, regardless of the time or times of their issue or maturity, are of equal rank without preference, priority or distinction of any such Bonds of such Series over any other Bonds except as expressly provided or permitted by the Master Resolution or by the Applicable Series Resolution.

(Section 1.03)

Authorization of Each Series of Bonds

Each Series of Bonds is issued pursuant to the Master Resolution, the applicable Series Resolution and the Act.

The Bonds of the Authority will not be a debt of the State, nor will the State be liable thereon, nor will the Bonds be payable out of any funds other than those of the Authority pledged by the Master Resolution to the payment of the principal, Sinking Fund Installments, if any, and Redemption Price of and interest on the Bonds.

(Section 2.01)

Additional Bonds and Other Obligations

The Authority reserves the right to issue bonds, notes or any other obligations or otherwise incur indebtedness pursuant to other and separate resolutions or agreements of the Authority, so long as such bonds, notes or other obligations are not, or such other indebtedness is not, except as provided in the Master Resolution, entitled to a charge or lien or right prior or equal to the charge or lien created by the Master Resolution, or prior or equal to the rights of the Authority and Holders of Bonds or with respect to the moneys pledged pursuant to the Master Resolution or pursuant to an Applicable Series Resolution.

(Section 2.05)

Authorization of Redemption

Bonds subject to redemption prior to maturity will be redeemable at such times, at such Redemption Prices and upon such terms as may be specified in the Master Resolution or in the Applicable Series Resolution authorizing their issuance or the Applicable Bond Series Certificate.

(Section 4.01)

Redemption at Election of the Authority

The Series, maturities and principal amounts of the Bonds to be redeemed at the election or direction of the Authority will be determined by the Authority in its sole discretion, subject to any limitations with respect thereto contained in the Master Resolution or in the Series Resolution authorizing such Series or the Applicable Bond Series Certificate.

(Section 4.02)

Selection of Bonds to Be Redeemed

Unless otherwise provided in the Series Resolution authorizing the issuance of Bonds of a Series or the Bond Series Certificate relating to such Bonds, in the event of redemption of less than all of the Outstanding Bonds of like Series, maturity and tenor, the Trustee will assign to each Outstanding Bond of the Series, maturity and tenor to be redeemed a distinctive number for each unit of the principal amount of such Bond equal to the lowest denomination in which the Bonds of such Series are authorized to be issued and will select by lot, using such method of selection as it will deem proper in its discretion, from the numbers assigned to such Bonds as many numbers as, at such unit amount equal to the lowest denomination in which the Bonds of such Series are authorized to be issued for each number, will equal the principal amount of such Bonds to be redeemed. In making such selections the Trustee may draw the Bonds by lot (i) individually or (ii) by one or more groups, the grouping for the purpose of such drawing to be by serial numbers (or, in the case of Bonds of a denomination of more than the lowest denomination in which the Bonds of such Series are authorized to be issued, by the numbers assigned thereto as provided in the Master Resolution) which end in the same digit or in the same two digits. In the case, upon any drawing by groups, the total principal amount of Bonds drawn will exceed the amount to be redeemed, the excess may be deducted from any group or groups so drawn in such manner as the Trustee may determine. The Trustee may in its discretion assign numbers to aliquot portions of Bonds and select part of any Bond for redemption. The Bonds to be redeemed will be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than the lowest denomination in which the Bonds of such Series are authorized to be issued will be redeemed as will equal the lowest denomination in which the Bonds of such Series are authorized to be issued for each number assigned to it and so selected.

(Section 4.04)

Notice of Redemption

Whenever Bonds are to be redeemed, the Trustee will give notice of the redemption of the Bonds in the name of the Authority. Such notice, unless the Bonds are Book Entry Bonds, will be given by mailing a copy of such notice not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. Such notice will be sent by first class mail, postage prepaid, to the registered owners of the Bonds which are to be redeemed, at their last known addresses, if any, appearing on the registration books not more than ten (10) Business Days prior to the date such notice is given. Upon giving such notice, the Trustee will promptly certify to the Authority that it has mailed or caused to be mailed such notice to the registered owners of the Bonds to be redeemed in the manner provided in the Master Resolution. Such certificate will be conclusive evidence that such notice was given in the manner required by the Master Resolution. The failure of any Holder of a Bond to be redeemed to receive such notice will not affect the validity of the proceedings for the redemption of the Bonds.

Any notice of redemption, unless moneys are received by the Trustee prior to giving such notice sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed, may state that such redemption is conditional upon the receipt of such moneys by the Trustee by 1:00 P.M. (New York time) on the date fixed for redemption. If such moneys are not so received said notice will be of no force and effect, the Authority will not redeem such Bonds and the Trustee will give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

If directed in writing by any Authorized Officer of the Authority, the Trustee will also give such notice by publication thereof once in an Authorized Newspaper, such publication to be not less than thirty (30) days nor more than sixty (60) days prior to the redemption date; provided, however, that such publication shall not be a condition precedent to such redemption, and failure to so publish any such notice or a defect in such notice or in the publication thereof shall not affect the validity of the proceedings for the redemption of the Bonds.

The Trustee will (i) if any of the Bonds to be redeemed are Book Entry Bonds, mail a copy of the notice of redemption to the Depository for such Book Entry Bonds not less than thirty-five (35) days prior to the redemption, but, if notice of redemption is to be published as described in the preceding paragraph, in no event later than five (5) Business Days prior to the date of publication, and (ii) mail a copy of the notice of redemption to Kenny Information Systems Notification Service and to Standard & Poor's Called Bond Record, in each case at the most recent address therefor, or to any successor thereof.

(Section 4.05)

Payment of Redeemed Bonds

If, on the redemption date, moneys for the redemption of all Bonds or portions thereof of any like Series, maturity and tenor to be redeemed, together with interest accrued and unpaid thereon to the redemption date, are held by the Trustee and Paying Agent so as to be available therefor on such date and if notice of redemption has been mailed as stated in the Master Resolution, then, from and after the redemption date, interest on the Bonds or portions thereof so called for redemption will cease to accrue and such Bonds will no longer be considered to be Outstanding under the Master Resolution. If such moneys are not so available on the redemption date, such Bonds or portions thereof will continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

(Section 4.06)

Pledge of Revenues

The proceeds from the sale of the Bonds, the Applicable Revenues, the Authority's security interest in the Applicable Pledged Revenues, and, all funds established by the Master Resolution, other than the Applicable Arbitrage Rebate Fund, are pledged and assigned to the Trustee as security for the payment of the principal, Sinking Fund Installments, if any, and Redemption Price of and interest on the Bonds and as security for the performance of any other obligation of the Authority under the Resolution and under any Series Resolution, all in accordance with the provisions of the Master Resolution and such Series Resolution. The pledge of the Revenues relates only to the Bonds of an Applicable Series authorized by such Series Resolution and no other Series of Bonds and such pledge will not secure any such other Series of Bonds. The pledge is valid, binding and perfected from the time when the pledge attaches and the proceeds from the sale of the Bonds, the Revenues, the Authority's security interest in the Applicable Pledged Revenues and the funds and accounts established by the Master Resolution and by the Applicable Series Resolution will immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge will be valid, binding and perfected as against all parties having claims of any kind in tort, contract or otherwise against the Authority irrespective of whether such parties have notice thereof. No instrument by which such pledge is created nor any financing statement need be recorded or filed. The Bonds are special obligations of the Authority payable solely from and secured by a pledge of the proceeds from the sale of the Bonds, the Revenues, the Authority's security interest in the Applicable Pledged Revenues and the funds and accounts established by the Master Resolution, which are pledged by the Master Resolution as provided in the Master Resolution, which pledge will constitute a first lien thereon. Notwithstanding the foregoing, interest earnings on the Debt Service Fund held by the Trustee and properly allocable to one School District may not be used to make up a deficiency caused by the failure of another School District to pay its Basic Debt Service Payment.

(Section 5.01)

Establishment of Funds

Unless otherwise provided by the Applicable Series Resolution, the following funds are authorized to be established, held and maintained for each Applicable Series by the Trustee under the Applicable Series Resolution separate from any other funds established and maintained pursuant to any other Series Resolution:

Construction Fund;
Debt Service Fund; and
Arbitrage Rebate Fund.

Accounts and sub-accounts within each of the foregoing funds may from time to time be established in accordance with an Applicable Series Resolution, an Applicable Bond Series Certificate or upon the direction of the Authority. All moneys at any time deposited in any fund created by the Master Resolution, other than the Applicable Arbitrage Rebate Fund, will be held in trust for the benefit of the Holders of the Applicable Series of Bonds, but will nevertheless be disbursed, allocated and applied solely in connection with Applicable Series of Bonds for the uses and purposes provided in the Master Resolution.

(Section 5.02)

Application of Bond Proceeds

Upon the receipt of proceeds from the sale of a Series of Bonds, the Authority will apply such proceeds as specified in the Master Resolution and in the Series Resolution authorizing such Series or in the Bond Series Certificate relating to such Series.

Accrued interest, if any, received upon the delivery of a Series of Bonds will be deposited in the Debt Service Fund unless all or any portion of such amount is to be otherwise applied as specified in the Series Resolution authorizing such Series or the Bond Series Certificate relating to such Series.

(Section 5.03)

Application of Moneys in the Construction Fund

A separate Construction Fund is established by each Series Resolution and separate Construction Accounts are established therein with respect to each School District for whose benefit such Series of Bonds is issued. As soon as practicable after the delivery of each Series of Bonds, there will be deposited in the Applicable Construction Account the amount required to be deposited therein pursuant to the Series Resolution authorizing such Series or the Bond Series Certificate relating to such Series. In addition, the Authority will deposit in the Applicable Construction Account any moneys paid to the Authority for the acquisition, construction, reconstruction, rehabilitation or improvement of any Project, including without limitation, the equity contribution, if any, provided by a School District. Moneys deposited in the Construction Account will be used only to pay the Costs of Issuance of the Bonds and the Costs of the Applicable Project.

(Section 5.04)

Deposit and Allocation of Revenues

Except as provided in the Applicable Series Resolution or Bond Series Certificate, the Applicable Revenues and any other moneys which, by any of the provisions of the Applicable Agreement, are required to be deposited in the Applicable Debt Service Fund, will upon receipt by the Trustee be deposited to the credit of the appropriate account in the Applicable Debt Service Fund. To the extent not required to pay, (a) the School District's Allocable Portion of the interest becoming due on Outstanding Bonds of the Applicable Series on the next succeeding interest payment date or dates of such Bonds; (b) the School District's Allocable Portion of the amount necessary to pay the principal and Sinking Fund Installments becoming due on the Applicable Series of Outstanding Bonds; and (c) moneys which are required or have been set aside for the redemption of Bonds of the Applicable Series, moneys in the Applicable Debt Service Fund will be paid by the Trustee on or before the business day preceding each Interest Payment Date to the Authority, unless otherwise paid, such amounts as are payable to the Authority relating to such Series for: (i) any expenditures of the Authority for fees and expenses of auditing, and fees and expenses of the Applicable Trustee and Paying Agents, all as required hereby, (ii) all other expenditures reasonably and necessarily incurred by the Authority in connection with the financing of the Applicable Project, including expenses incurred by the Authority to compel full and punctual performance of all the provisions of the Applicable Agreement in accordance with the terms thereof, and (iii) any fees of the Authority; but only upon receipt by the Trustee of a certificate of the Authority, stating in reasonable detail the amounts payable to the Authority.

After making the payments required by the preceding paragraph, any balance remaining on the immediately succeeding Interest Payment Date will be paid by the Trustee upon and in accordance with the direction of the Authority to each of the respective Applicable School Districts in the respective amounts set forth in such direction, free and clear of any pledge, lien, encumbrance or security interest created by the Master Resolution or by any of the Agreements.

(Section 5.05)

Debt Service Fund

Except as provided in the Applicable Series Resolution or Bond Series Certificate, the Trustee will on or before the Business Day preceding each Interest Payment Date pay to itself and any other Paying Agent out of the Applicable Debt Service Fund:

(a) the School District's Allocable Portion of the interest due and payable on all Outstanding Bonds of the Applicable Series on such Interest Payment Date;

(b) the School District's Allocable Portion of the principal amount due and payable on all Outstanding Bonds of the Applicable Series on such Interest Payment Date; and

(c) the School District's Allocable Portion of the Sinking Fund Installments or other amounts related to a mandatory redemption, if any, due and payable on all Outstanding Bonds of the Applicable Series on such Interest Payment Date.

The amounts paid out pursuant to (a), (b) and (c) above are irrevocably pledged to and applied to such payments.

Notwithstanding the above, the Authority may, at any time subsequent to the first day of any Bond Year but in no event less than forty-five (45) days prior to the succeeding date on which a Sinking Fund Installment is scheduled to be due, direct the Trustee to purchase, with moneys on deposit in the Applicable Debt Service Fund, at a price not in excess of par plus interest accrued and unpaid to the date of such purchase, Term Bonds to be redeemed from such Sinking Fund Installment.

Moneys in the Applicable Debt Service Fund in excess of the amount required to pay the principal and Sinking Fund Installments of Outstanding Bonds of the Applicable Series payable during the next succeeding Bond Year, the interest on Outstanding Bonds of the Applicable Series payable on and prior to the next succeeding Interest Payment Date, and the purchase price or Redemption Price of Outstanding Bonds theretofore contracted to be purchased or called for redemption, plus accrued interest thereon to the date of purchase or redemption, will be paid or applied by the Trustee in accordance with the direction of an Authorized Officer of the Authority (i) to the purchase of Outstanding Bonds of the Applicable Series at purchase prices not exceeding the Redemption Price applicable on the next Interest Payment Date on which such Bonds are redeemable, plus accrued and unpaid interest to such date, at such times, at such purchase prices and in such manner as an Authorized Officer of the Authority will direct or (ii) to the redemption of Bonds of the Applicable Series as provided in the Master Resolution, at the Redemption Prices specified in the Applicable Series Resolution or Applicable Bond Series Certificate.

(Section 5.07)

Arbitrage Rebate Fund

The Arbitrage Rebate Fund will be maintained by the Trustee as a fund separate from any other fund established and maintained under the Master Resolution. The Trustee will deposit to the Applicable Arbitrage Rebate Fund any moneys delivered to it by the Applicable School Districts for deposit therein and, notwithstanding any other provisions of the Master Resolution, will transfer to the Arbitrage Rebate Fund, in accordance with the directions of an Authorized Officer of the Authority, moneys on deposit in any other funds held by the Trustee under the Master Resolution at such times and in such amounts as will be set forth in such directions. Within the Arbitrage Rebate Fund, the Trustee will maintain such accounts as are required by the Authority in order to comply with the terms and requirements of the Tax Certificate. All money at any time deposited in the Arbitrage Rebate Fund will be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement (as defined in the Tax Certificate), for payment to the Treasury Department of the United States of America, and the Authority or the owner of any Bonds will not have any rights in or claim to such money. The Trustee will be deemed conclusively to have complied with the provisions of the Master Resolution concerning the Arbitrage Rebate Fund and with such provisions of the Tax Certificate if it follows the directions of an Authorized Officer of the Authority including supplying all necessary written information in the manner provided in the Tax Certificate and has no liability or responsibility for compliance (except as specifically set forth in the Master Resolution or in the Tax Certificate) or to enforce compliance by the Authority with the terms of the Tax Certificate.

Upon the written direction of the Authority, the Trustee will deposit in the Arbitrage Rebate Fund funds received from the Authority, so that the balance of the amount on deposit thereto will be equal to the Rebate Requirement. Computations of the Rebate Requirement will be furnished by or on behalf of the Authority in accordance with the Tax Certificate.

The Trustee has no obligation to rebate any amounts required to be rebated pursuant to the Master Resolution, other than from moneys held in the funds and accounts created under the Master Resolution or from other moneys provided to it by the Authority.

The Trustee will invest all amounts held in the Arbitrage Rebate Fund as provided in written directions of the Authority. The Authority, in issuing such directions, will comply with the restrictions and instructions set forth in the Tax Certificate. Moneys may only be applied from the Arbitrage Rebate Fund as provided under the Master Resolution.

The Trustee, upon the receipt of written instructions and certification of the Rebate Requirement from an Authorized Officer of the Authority, will pay the amount of such Rebate Requirement to the Treasury Department of the United States of America, out of amounts in the Arbitrage Rebate Fund, as so directed.

Notwithstanding any other provisions of the Master Resolution, including in particular the section of the Master Resolution described under the heading “Tax Covenant,” the obligation to remit the Rebate Requirement to the United States of America and to comply with all other requirements of the Master Resolution concerning the Arbitrage Rebate Funds, the section of the Master Resolution described under the heading “Tax Covenant” and the Tax Certificate will survive the defeasance or payment in full of the Bonds.

(Section 5.09)

Application of Moneys in Certain Funds for Retirement of Bonds

Notwithstanding any other provisions of the Master Resolution, if at any time the amounts held in the Applicable Debt Service Fund are sufficient to pay the principal or Redemption Price of all Outstanding Bonds of the Applicable and the interest accrued and unpaid and to accrue on such Bonds to the next date of redemption when all such Bonds are redeemable, or to make provision pursuant to the section of the Master Resolution described below under the heading “Defeasance” for the payment of the Outstanding Bonds at the maturity or redemption dates thereof, the Authority may (i) direct the Trustee to redeem all such Outstanding Bonds, whereupon the Trustee will proceed to redeem or provide for the redemption of such Outstanding Bonds in the manner provided for redemption of such Bonds by the Master Resolution and by each Applicable Series Resolution as provided in the

Master Resolution, or (ii) give the Trustee irrevocable instructions and make provision for the payment of the Outstanding Bonds at the maturity or redemption dates thereof in accordance with the Master Resolution.

(Section 5.10)

Transfer of Investments

Whenever moneys in any fund or account established under the Master Resolution are to be paid in accordance with the Master Resolution to another such fund or account, such payment may be made, in whole or in part, by transferring to such other fund or account investments held as part of the fund or account from which such payment is to be made, whose value, together with the moneys, if any, to be transferred, is at least equal to the amount of the payment then to be made; provided, however, that no such transfer of investments would result in a violation of any investment standard or guideline applicable to such fund.

(Section 5.11)

Security for Deposits

All moneys held under the Master Resolution by the Trustee will be continuously and fully secured, for the benefit of the Authority and the Holders of the Applicable Series of Bonds, by direct obligations of the United States of America or obligations the principal of and interest on which are guaranteed by the United States of America of a market value equal at all times to the amount of the deposit so held by the Trustee; provided, however, (a) that if the securing of such moneys is not permitted by applicable law, then in such other manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds, and (b) that it will not be necessary for the Trustee or any Paying Agent to give security for the deposit of any moneys with them pursuant to the sections of the Master Resolution described under the headings "Debt Service Fund" and "Defeasance," and held in trust for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price of or interest on any Bonds, or for the Trustee to give security for any moneys which will be represented by obligations purchased or other investments made under the provisions of the Master Resolution as an investment of such moneys.

(Section 6.01)

Investment of Funds and Accounts

Moneys held under the Master Resolution by the Trustee, if permitted by law, will, as nearly as may be practicable, be invested by the Trustee, upon direction of the Authority given or confirmed in writing, signed by an Authorized Officer of the Authority (which direction will specify the amount to be invested) in Government Obligations, Exempt Obligations, and, if not inconsistent with the investment guidelines of a Facility Provider or a Rating Agency applicable to funds held under the Master Resolution, any other Permitted Investment; provided, however, that each such investment will permit the moneys so deposited or invested to be available for use at the times at which the Authority reasonably believes such moneys will be required for the purposes of the Master Resolution; provided, further, that (x) any Permitted Collateral required to secure any Permitted Investment has a market value, determined by the Trustee or its agent periodically, but no less frequently than weekly, at least equal to the amount deposited or invested including interest accrued thereon, (y) the Permitted Collateral will be deposited with and held by the Trustee or an agent of the Trustee approved by an Authorized Officer of the Authority, and (z) the Permitted Collateral will be free and clear of claims of any other person.

Permitted Investments purchased as an investment of moneys in any fund or account held by the Trustee under the provisions of the Master Resolution will be deemed at all times to be a part of such fund or account and the income or interest earned, profits realized or losses suffered by a fund or account due to the investment thereof will be retained in, credited or charged, as the case may be, to such fund or account.

In computing the amount in any fund or account held by the Trustee under the provisions of the Master Resolution, each Permitted Investment will be valued at par or the market value thereof, plus accrued interest, whichever is lower.

(Section 6.02)

Payment of Principal and Interest

The Authority covenants to pay or cause to be paid the principal, Sinking Fund Installments, if any, or Redemption Price of and interest on every Bond of each Series on the date and at the places and in the manner provided in the Bonds according to the true intent and meaning thereof.

(Section 7.01)

Accounts and Audits

The Authority covenants to keep proper books of records and accounts (separate from all other records and accounts), which may be kept on behalf of the Authority by the Trustee, in which complete and correct entries will be made of its transactions relating to each Series of Bonds, which books and accounts, at reasonable hours and subject to the reasonable rules and regulations of the Authority, will be subject to the inspection of the Trustee, the Applicable School Districts or of any Holder of a Bond or his representative duly authorized in writing. The Trustee will annually prepare a report which will be furnished to the Authority, each Facility Provider, each Credit Facility Issuer and the Applicable School Districts. Such report will include at least: a statement of all funds and accounts (including investments thereof) held by such Trustee and the Authority pursuant to the provisions of the Master Resolution and of each Applicable Series Resolution; a statement of the Applicable Revenues collected from each Applicable School District in connection with the Master Resolution and with each Applicable Series Resolution; and complete and correct entries of all transactions relating to an Applicable Series of Bonds. A copy of such report, will, upon receipt of a written request therefor, and payment of any reasonable fee or charge made in connection therewith, be furnished to the registered owner of a Bond of the Applicable Series or any beneficial owner of a Book Entry Bond of the Applicable Series requesting the same.

(Section 7.05)

Creation of Liens

The Authority covenants not to create or cause to be created any lien or charge prior or equal to that of the Bonds of an Applicable Series on the proceeds from the sale of the Bonds, the Applicable Revenues, the Applicable Pledged Revenues or the funds and accounts established by the Master Resolution or by any Applicable Series Resolution which are pledged by the Master Resolution; provided, however, that nothing contained in the Master Resolution will prevent the Authority from issuing bonds, notes or other obligations under another and separate resolution so long as the charge or lien created by such resolution is not prior or equal to the charge or lien created by the Master Resolution; and provided further, that if the Authority has issued more than one Series of Bonds for the benefit of a School District and the public funds pledged under the Applicable Agreements are insufficient to pay in full all Basic Debt Service Payments then due under all of the Agreements to which such School District is a party, then as provided in the Memorandum of Understanding the Comptroller will pay a proportionate share of such available public funds to each Applicable Trustee.

(Section 7.06)

Enforcement of Obligations of the School District

Pursuant to the Applicable Agreement and the Applicable School District Bonds, the Authority covenants to take all legally available action to cause a School District to perform fully its obligation to pay Basic Debt Service Payment and other amounts which under the Applicable Agreement are to be paid to the Trustee, in the manner and at the times provided in the Applicable Agreement provided, however, that the Authority may delay, defer or waive enforcement of one or more provisions of said Agreement (other than provisions requiring the payment of monies to the Trustee for deposit to any fund or account established under the Master Resolution) if the Authority determines such delay, deferment or waiver will not materially adversely affect the interests of the Holders of the Bonds of a Series.

(Section 7.07)

Offices for Payment and Registration of Bonds

The Authority will at all times maintain an office or agency in the State where Bonds may be presented for payment. The Authority may, pursuant to a Supplemental Resolution or a Series Resolution or pursuant to a resolution adopted in accordance with the Master Resolution, designate an additional Paying Agent or Paying Agents where Bonds of the Series authorized thereby or referred to therein may be presented for payment. The Authority will at all times maintain an office or agency in the State where Bonds may be presented for registration, transfer or exchange and the Trustee is appointed by the Master Resolution as its agent to maintain such office or agency for the registration, transfer or exchange of Bonds.

(Section 7.09)

Amendment, Change, Modification or Waiver of Agreement

An Applicable Agreement (and the related Applicable School District Bonds) may not be amended, changed, modified, altered or terminated so as to materially adversely affect the interest of the Holders of the Outstanding Bonds of the Applicable Series without the prior written consent of the Holders of at least a majority in aggregate principal amount of such Bonds then Outstanding; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any Applicable Series remain Outstanding, the consent of the Holders of such Bonds will not be required and such Bonds will not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds of the Applicable Series under the Master Resolution; provided, further, that no such amendment, change, modification, alteration or termination will reduce the percentage of the aggregate principal amount of Outstanding Bonds of such Series the consent of the Holders of which is a requirement for any such amendment, change, modification, alteration or termination, or decrease the amount of any payment required to be made by the School District under the Applicable Agreement that is to be deposited with the Trustee or extend the time of payment thereof. Except as otherwise provided in the Master Resolution, an Agreement may be amended, changed, modified or altered without the consent of the Holders of Outstanding Bonds of the Applicable Series or the Applicable Trustee. Specifically, and without limiting the generality of the foregoing, an Agreement may be amended, changed, modified or altered without the consent of the Trustee and the Holders of Outstanding Bonds of such Series (i) to provide changes in connection with the acquisition, construction, reconstruction, rehabilitation, renovation and improvement or otherwise, the providing, furnishing and equipping of any facilities constituting a part of the Applicable Project or which may be added to such Project; (ii) to provide for the issuance of Bonds of an Applicable Series; or (iii) to cure any ambiguity or correct or supplement any provisions contained in the Applicable Agreement, which may be defective or inconsistent with any other provisions contained in the Master Resolution or in such Agreement.

An Applicable Series will be deemed to be adversely affected by an amendment, change, modification or alteration of the Agreement if the same adversely affects or diminishes the rights of the Holders of the Bonds of such Series in any material respect. The Trustee may in its discretion determine whether or not, in accordance with the foregoing provisions, Bonds of an Applicable Series would be adversely effected in any material respect by any amendment, change, modification or alteration, and any such determination will be binding and conclusive on the Authority and all Holders of such Bonds.

The purchasers of the Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase from the Authority, may consent to an amendment, change, modification, termination or waiver permitted by the Master Resolution with the same effect as a consent given by the Holder of such Bonds.

(Section 7.10)

Notice as to Agreement Default

The Authority covenants to notify the Trustee in writing that an “event of default” under the Applicable Agreement, as such term is defined in the Applicable Agreement (including the failure to pay the Applicable School District Bonds), has occurred and is continuing, or that which notice is required to be given within five (5) days after the Authority has obtained actual knowledge thereof.

(Section 7.11)

Basic Debt Service Payment

The Applicable Agreement will provide for the payment of Basic Debt Service Payment which will be sufficient at all times to pay the School District’s Allocable Portion of the principal and Sinking Fund Installments of and interest on Outstanding Bonds of the Applicable Series as the same become due and payable.

(Section 7.12)

Modification and Amendment without Consent of Holders

The Authority may adopt at any time or from time to time Supplemental Resolutions for any one or more of the following purposes, and any such Supplemental Resolution will become effective in accordance with its terms upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority:

(a) To add additional covenants and agreements of the Authority for the purpose of further securing the payment of the Bonds of an Applicable Series, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Authority contained in the Master Resolution;

(b) To prescribe further limitations and restrictions upon the issuance of Bonds of an Applicable Series and the incurring of indebtedness by the Authority which are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect;

(c) To surrender any right, power or privilege reserved to or conferred upon the Authority by the terms of the Master Resolution, provided that the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Authority contained in the Master Resolution;

(d) To confirm, as further assurance, any pledge under the Master Resolution or under the Applicable Series Resolution, and the subjection to any lien, claim or pledge created or to be created by the provisions of the Master Resolution, of the Applicable Revenues, or any pledge of any other moneys, investments thereof or funds;

(e) To modify any of the provisions of the Master Resolution or of any previously adopted Series Resolution or Supplemental Resolution in any other respects, provided that such modifications will not be effective until after all Bonds of an Applicable Series of Bonds Outstanding as of the date of adoption of such Supplemental Resolution will cease to be Outstanding, and all Bonds of an Applicable Series issued under an Applicable Series Resolution will contain a specific reference to the modifications contained in such subsequent resolutions; or

(f) With the consent of the Trustee, to cure any ambiguity or defect or inconsistent provision in the Master Resolution or to insert such provisions clarifying matters or questions arising under the Master Resolution as are necessary or desirable, provided that any such modifications are not contrary to or inconsistent the Master Resolution, as theretofore in effect, or to modify any of the provisions of the Master Resolution or of any previously adopted Applicable Series Resolution or Supplemental Resolution in any other respect, provided that such modification will not adversely affect the interests of the Bondholders of the Applicable Series in any material respect.

(Section 9.02)

Supplemental Resolutions Effective with Consent of Bondholders

The provisions of the Master Resolution may also be modified or amended at any time or from time to time by a Supplemental Resolution, subject to the consent of the Bondholders in accordance with and subject to the provisions of the Master Resolution, such Supplemental Resolution to become effective upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority.

(Section 9.03)

General Provisions Relating to Series Resolutions and Supplemental Resolutions

The Master Resolution will not be modified or amended in any respect except in accordance with and subject to the provisions of the Master Resolution. Nothing contained in the Master Resolution will affect or limit the rights or obligations of the Authority to adopt, make, do, execute or deliver any resolution, act or other instrument pursuant to the provisions of the Master Resolution or the right or obligation of the Authority to execute and deliver to the Trustee or any Paying Agent any instrument elsewhere in the Master Resolution provided or permitted to be delivered to the Trustee or any Paying Agent.

A copy of every Series Resolution and Supplemental Resolution adopted by the Authority, when filed with the Trustee, will be accompanied by an opinion of Bond Counsel stating that such Series Resolution or Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the Master Resolution, is authorized or permitted by the Master Resolution and is valid and binding upon the Authority and enforceable in accordance with its terms.

The Trustee is authorized to accept delivery of a certified copy of any Series Resolution or Supplemental Resolution permitted or authorized pursuant to the provisions of the Master Resolution and to make all further agreements and stipulations which may be contained therein, and, in taking such action, the Trustee will be fully protected in relying on the opinion of Bond Counsel that such Series Resolution or Supplemental Resolution is authorized or permitted by the provisions of the Master Resolution.

No Series Resolution or Supplemental Resolution changing, amending or modifying any of the rights or obligations of the Trustee or of any Paying Agent will become effective without the written consent of the Trustee or Paying Agent affected thereby.

(Section 9.04)

Powers of Amendment

Any modification or amendment of the Master Resolution and of the rights and obligations of the Authority and of the Holders of the Bonds under the Master Resolution, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in the section of the Master Resolution described below under the heading “Consent of Bondholders,” (i) of the Holders of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given, or (ii) in case the modification or amendment changes the amount or date of any Sinking Fund Installment, of the Holders of at least a majority in principal amount of the Bonds of the particular Series, maturity and interest rate entitled to such Sinking Fund Installment, Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series, maturity and tenor remain Outstanding, the consent of the Holders of such Bonds will not be required and such Bonds will not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds described under this heading. No such modification or amendment will permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or will reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment.

(Section 10.01)

Consent of Bondholders

The Authority may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of the Master Resolution to take effect when and as provided in the Master Resolution. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Trustee) together with a request to the Bondholders for their consent thereto in form satisfactory to the Trustee, will promptly after adoption be mailed by the Authority to the Bondholders (but failure to mail such copy and request to any particular Bondholder will not affect the validity of the Supplemental Resolution when consented to as provided in the Master Resolution). Such Supplemental Resolution will not be effective unless and until (i) there has been filed with the Trustee (a) the written consent of the Holders of the percentages of Outstanding Bonds specified in the section of the Master Resolution described above under the heading "Powers of Amendment" and (b) an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Authority in accordance with the provisions of the Master Resolution, is authorized or permitted by the Master Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms, and (ii) a notice has been mailed as provided in the Master Resolution. Each such consent will be effective only if accompanied by proof of the holding or owning at the date of such consent, of the Bonds with respect to which such consent is given, which proof will be such as is permitted by the Master Resolution. A certificate or certificates by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with the Master Resolution will be conclusive proof that the consents have been given by the Holders of the Bonds described in the certificate or certificates of the Trustee. Any consent given by a Bondholder will be binding upon the Bondholder giving such consent and, anything in the Master Resolution to the contrary notwithstanding, upon any subsequent Holder of such Bond and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by the Bondholder giving such consent or a subsequent Holder thereof by filing such revocation with the Trustee, prior to the time when the written statement of the Trustee is filed. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages of Bonds have filed their consents to the Supplemental Resolution, the Trustee will make and file with the Authority and the Trustee a written statement that such Holders of such required percentages of Bonds have filed such consents. Such written statement will be conclusive that such consents have been so filed. At any time thereafter a notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Authority on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages of Bonds and will be effective as provided in this paragraph, will be given to the Bondholders by the Authority by mailing such notice to the Bondholders and, at the discretion of the Authority, by publishing the same at least once not more than ninety (90) days after the Holders of the required percentages of Bonds have filed their consents to the Supplemental Resolution and the written statement of the Trustee provided for above is filed (but failure to publish such notice will not prevent such Supplemental Resolution from becoming effective and binding as in this paragraph provided). The Authority will file with the Trustee proof of the mailing of such notice, and, if the same has been published, of the publication thereof.

For the purposes of the Master Resolution, the purchasers of the Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase from the Authority, may consent to a modification or amendment permitted by the sections of the Master Resolution described herein the headings "Powers of Amendment" or "Modifications by Unanimous Consent" in the manner provided in the Master Resolution, except that no proof of ownership will be required, and with the same effect as a consent given by the Holder of such Bonds; provided, however, that, if such consent is given by a purchaser who is purchasing as an underwriter or for resale, the nature of the modification or amendment and the provisions for the purchaser consenting thereto will be described in the official statement, prospectus, offering memorandum or other offering document prepared in connection with the primary offering of the Bonds of such Series by the Authority.

(Section 10.02)

Modifications by Unanimous Consent

The terms and provisions of the Master Resolution and the rights and obligations of the Authority and of the Holders of the Bonds may be modified or amended in any respect upon the adoption and filing with the Trustee by the Authority of a copy of a Supplemental Resolution certified by an Authorized Officer of the Authority and the consent of the Holders of all of the Bonds then Outstanding, such consent to be given as provided in the section of the Master Resolution described above under the heading "Consent of Bondholders," except that no notice to the Bondholders either by mailing or publication will be required.

(Section 10.03)

Consent of Facility Provider

Whenever by the terms of the Master Resolution the consent of any of the Holders of the Bonds to a modification or amendment of the Master Resolution made by a Series Resolution or Supplemental Resolution is required, such modification or amendment will not become effective until the written consent of each Facility Provider has been obtained; provided, however, that the consent of a Facility Provider which has provided a Credit Facility will not be required unless the modification or amendment requires the consent of the Holders of any percentage in principal amount of Outstanding Bonds or of the Holders of any percentage in principal amount of the Bonds of the Series in connection with which such Credit Facility was provided. No modification or amendment of the Master Resolution which adversely affects a Facility Provider will be made without the written consent thereto of the Facility Provider affected thereby. Notice of the adoption of any such Series Resolution or Supplemental Resolution and of the effectiveness of the modification or amendment made thereby will be given to each Facility Provider by mail at the times and in the manner provided in the Master Resolution with respect to notices thereof required to be given to the Holders of the Bonds. Notice thereof will also be given to each Rating Service as soon as practical after adoption of such Supplemental Resolution and of the effectiveness thereof.

(Section 10.04)

Events of Default

Events of Default under the Master Resolution include: failure by the Authority to pay the principal, Sinking Fund Installments or Redemption Price of any Bond when the same will become due and payable; failure by the Authority to pay an installment of interest on any Bond when the same will become due and payable; the Authority defaults in the due and punctual performance of the tax covenants contained in the Series Resolution and, as a result thereof, the interest on the Bonds of a Series is no longer excludable from gross income under Section 103 of the Code (a "Taxability Default"); and default by the Authority in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Master Resolution or in the Bonds or in any Series Resolution on the part of the Authority to be performed and such default continues for thirty (30) days after written notice specifying such default and requiring same to be remedied has been given to the Authority by the Trustee, which may give such notice in its discretion and must give such notice at the written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds, unless, if such default is not capable of being cured within thirty (30) days, the Authority has commenced to cure such default within said thirty (30) days and diligently prosecutes the cure thereof.

(Section 11.02)

Enforcement of Remedies

Upon the happening and continuance of any Event of Default specified in the section of the Master Resolution described above under the heading "Events of Default," then and in every such case, the Trustee may proceed, and upon the written request of the Applicable Facility Provider or the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of the Applicable Series (in each case with the consent of the Facility Provider for such Series) or, in the case of a happening and continuance of a Taxability Default, upon the written request of the Applicable Facility Provider or the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of the Series affected thereby with the consent of the Facility Provider for such Series, will proceed (upon receiving compensation, expenses and indemnity to its satisfaction), to protect and enforce its rights and the rights of the Bondholders or of such Facility Provider under the

Master Resolution or under any Series Resolution or under the laws of the State by such suits, actions or special proceedings in equity or at law, as the Trustee deems most effectual to protect and enforce such rights.

(Section 11.04)

Limitation of Rights of Individual Bondholders

No Holder of any of the Bonds has any right to institute any suit, action or proceeding in equity or at law for the execution of any trust under the Master Resolution, or for any other remedy under the Master Resolution unless such Holder previously has given to the Trustee written notice of the event of default on account of which such suit, action or proceeding is to be instituted, and unless also the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds or, in the case of a Taxability Default, the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of the Series affected thereby, has made written request to the Trustee after the right to exercise such powers or right of action, as the case may be, has accrued, and have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Master Resolution or to institute such action, suit or proceeding in its or their name, and unless, also, there has been offered to the Trustee reasonable security and indemnity against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee has refused or neglected to comply with such request within a reasonable time.

(Section 11.08)

Defeasance

If the Authority pays or causes to be paid to the Holders of Bonds of an Applicable Series the principal, Sinking Fund Installments, if any, or Redemption Price of and interest thereon, at the times and in the manner stipulated therein, in the Master Resolution, and in the Applicable Series Resolution and Bond Series Certificate, then the pledge of the Revenues or other moneys and securities pledged to such Bonds and all other rights granted by the Master Resolution to such Holders of Bonds will be discharged and satisfied.

Notwithstanding any provision of the Master Resolution to the contrary, if any School District prepays the amounts due under its Agreement and in accordance therewith pays or causes to be paid its Allocable Portion of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, and interest on the Bonds or portions thereof applicable to such Agreement at the times and in the manner stipulated therein, in the Master Resolution, and in the Applicable Series Resolution and the Applicable Bond Series Certificate, then the pledge of the Revenues or other moneys and securities pledged with respect to such Agreement or any portion thereof and all other rights granted under such Agreement will be discharged and satisfied. In such event, the Trustee will, upon the request of the Authority, execute and deliver such documents to evidence such discharge and satisfaction as may be reasonably required by the School District, and the Authority, and all moneys or other Securities held by it pursuant hereto and to a Series Resolution which are not required for the payment or redemption of its Allocable Portion of the Bonds of such Series to be defeased or any portion thereof not theretofore surrendered for such payment or redemption will be paid or delivered by the Trustee as follows: first, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of the Authority; second, to the Authority the amount certified by the Authority to be then due or past due pursuant to the Applicable Agreement to be prepaid for fees and expenses of the Authority or pursuant to any indemnity; and, then, the balance thereof to the School District. Such moneys or investments so paid or delivered will be released from any trust, pledge, lien, encumbrance or security interest created hereby, by a Series Resolution or by such Agreement.

Bonds for the payment or redemption of which moneys have been set aside and are held in trust by the Trustee (through deposit of moneys for such payment or redemption or otherwise) at the maturity or redemption date thereof will be deemed to have been paid within the meaning and with the effect expressed in the paragraph above. All Outstanding Bonds of any Series or any maturity within a Series or a portion of a maturity within a Series will prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in the paragraph above if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Authority has given to the Trustee, in form satisfactory to it, irrevocable instructions to give as provided in the Master Resolution notice of redemption on said date of such Bonds, (b) there has been deposited with the Trustee either moneys in an amount which will be sufficient, or Defeasance Securities the principal of and interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, will be sufficient to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (c) the Trustee has received the written consent of each Facility Provider which has given written notice to the Trustee and the Authority that amounts advanced under a Credit Facility or Liquidity Facility issued by it or the interest thereon have not been repaid to such Facility Provider, and (d) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority has given the Trustee, in form satisfactory to it, irrevocable instructions to give, as soon as practicable, by first class mail, postage prepaid, to the Holders of said Bonds at their last known addresses appearing on the registration books, a notice to the Holders of such Bonds that the deposit required by (b) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this paragraph and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on said Bonds. The Authority will give written notice to the Trustee of its selection of the Series and maturity payment of which will be made in accordance with this paragraph. The Trustee will select the Bonds of like Series and maturity payment of which will be made in accordance with the Master Resolution. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this paragraph nor principal or interest payments on any such Defeasance Securities will be withdrawn or used for any purpose other than, and will be held in trust for, the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on said Bonds; provided, however, that any moneys received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, must, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be.

(Section 12.01)

No Recourse under Master Resolution or on the Bonds

All covenants, stipulations, promises, agreements and obligations of the Authority contained in the Master Resolution will be deemed to be the covenants, stipulations, promises, agreements and obligations of the Authority and not of any member, officer or employee of the Authority in his individual capacity, and no recourse will be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claims based thereon, on the Master Resolution or on a Series Resolution against any member, officer or employee of the Authority or any person executing the Bonds, all such liability, if any, being expressly waived and released by every Holder of Bonds by the acceptance of the Bonds.

(Section 14.04)

Certain Provisions Relating to Capital Appreciation Bonds and Deferred Income Bonds

For the purposes of (i) receiving payment of the Redemption Price if a Capital Appreciation Bond is redeemed prior to maturity or (ii) computing the principal amount of Bonds held by the Holder of a Capital Appreciation Bond in giving to the Authority, the School District or the Trustee any notice, consent, request, or demand pursuant to the Master Resolution for any purpose whatsoever, the then current Accreted Value of such Bond will be deemed to be its principal amount. Notwithstanding any other provision of the Master Resolution, the amount payable at any time with respect to the principal of and interest on any Capital Appreciation Bond will not exceed the Accreted Value thereof at such time. For purposes of receiving payment of the Redemption Price or principal of a Capital Appreciation Bond called for redemption prior to maturity, the difference between the Accreted Value of such Bond when the Redemption Price or principal thereof is due upon such redemption or declaration and the principal of such Bond on the date the Bonds of the Series of which it is a part were first issued will be deemed not to be accrued and unpaid interest thereon.

For the purposes of (i) receiving payment of the Redemption Price if a Deferred Income Bond is redeemed, or (ii) computing the principal amount of Bonds held by the Holder of a Deferred Income Bond in giving to the Authority or the Trustee any notice, consent, request, or demand pursuant to the Master Resolution for any purpose whatsoever, the then current Appreciated Value of such Bond will be deemed to be its principal amount. Notwithstanding any other provision of the Master Resolution, the amount payable at any time prior to the Interest

Commencement Date with respect to the principal of and interest on any Deferred Income Bond will not exceed the Appreciated Value thereof at such time. For purposes of receiving payment prior to the Interest Commencement Date of the Redemption Price or principal of a Deferred Income Bond called for redemption prior to maturity, the difference between the Appreciated Value of such Bond when the Redemption Price or principal thereof is due upon such redemption or declaration and the principal of such Bond on the date the Bonds were first issued will be deemed not to be accrued and unpaid interest thereon.

(Section 14.07)

FORM OF APPROVING OPINION
OF BOND COUNSEL

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Form of Approving Opinion of Bond Counsel

[Letterhead of Hiscock & Barclay, LLP]

June __, 2012

Dormitory Authority of the
State of New York
515 Broadway
Albany, New York 12207

Re: $224,875,000 Dormitory Authority of the State of New York School Districts Revenue Bond Financing Program Revenue Bonds, $124,100,000 Series 2012A (the "Series 2012A Bonds"), $22,065,000 Series 2012B (the "Series 2012B Bonds"), $27,530,000 Series 2012C (the "Series 2012C Bonds"), $39,840,000 Series 2012D (the "Series 2012D Bonds") and the $11,320,000 Series 2012E (the "Series 2012E Bonds")

Ladies and Gentlemen:

We have acted as bond counsel to the Dormitory Authority of the State of New York (the "Authority") in connection with the issuance of $224,875,000 aggregate principal amount of its above-referenced bonds (the "Bonds"), issued pursuant to the provisions of the Dormitory Authority Act, as amended, constituting Chapter 524 of the Laws of 1944 of New York, as amended (constituting Title 4 of Article 8 of the New York Public Authorities Law), and the Authority's Master School Districts Revenue Bond Financing Program Revenue Bond Resolution adopted on May 29, 2002 (the "Master Resolution"), and the applicable Series Resolutions Authorizing up to $500,000,000 School Districts Revenue Bond Financing Program Revenue Bonds (the "Series 2012 Resolutions"), adopted September 21, 2011. The Master Resolution and the Series 2012 Resolutions are herein collectively referred to as the "Resolutions." Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolutions.

With respect to the Series 2012A Bonds, the Authority has entered into Financing Agreements, dated as of April 1, 2012 (the "Series 2012A Financing Agreements"), with the school districts identified on Schedule A (the "Series 2012A School Districts") providing, among other things, for a loan to the Series 2011A School Districts for the purposes permitted thereby and by the Master Resolution and the applicable Series 2012 Resolution. With respect to the Series 2012B Bonds, the Authority has entered into Financing Agreements, dated as of April 1, 2012 (the "Series 2012B Financing Agreements"), with the school districts identified on Schedule A (the "Series 2012B School Districts") providing, among other things, for a loan to the Series 2012B School Districts for the purposes permitted thereby and by the Master Resolution and the applicable Series 2012 Resolution. With respect to the Series 2012C Bonds, the Authority has entered into Financing Agreements, dated as of April 1, 2012 (the "Series 2012C Financing Agreement"), with the school districts identified on Schedule A (the "Series 2012C School Districts") providing, among other things, for a loan to the Series 2012C School Districts for the purposes permitted thereby and by the Master Resolution and the applicable Series 2012 Resolution. With respect to the Series 2012D Bonds, the Authority has entered into a Financing Agreement, dated as of April 1, 2012 (the "Series 2012D Financing Agreement"), with the school district identified on Schedule A (the "Series 2012D School District") providing, among other things, for a loan to the Series 2012D School District for the purposes permitted thereby and by the Master Resolution and the applicable Series 2012 Resolution. With respect to the Series 2012E Bonds, the Authority has entered into a Financing Agreement, dated as of April 1, 2012 (the "Series 2012E Financing Agreement"), with the school district identified on Schedule A (the "Series 2012E School District") providing, among other things, for a loan to the Series 2011E School District for the purposes permitted thereby and by the Master Resolution and the applicable Series 2012 Resolution. Pursuant to the Series 2012A Financing Agreements, the Series 2012A School Districts are required to make payments scheduled to be sufficient to pay the principal, sinking fund installments and redemption price of and interest on the Series 2012A Bonds as the same become due, which payments have been pledged by the Authority to the Trustee for the benefit of the holders of the Series 2012A Bonds. Pursuant to the Series 2012B Financing Agreements, the Series 2012B School Districts are required to make payments scheduled to be sufficient to pay the principal, sinking fund installments and redemption price of and interest on the Series 2012B Bonds as the same become due, which payments have been pledged by the Authority to the Trustee for the benefit of the holders of the Series 2012B Bonds. Pursuant to the Series 2012C Financing Agreements, the Series 2012C School Districts are required to make payments scheduled to be sufficient to pay the principal, sinking fund installments and redemption price of and interest on the Series 2012C Bonds as the same become due, which payments have been pledged by the Authority to the Trustee for the benefit of the holders of the Series 2012C Bonds. Pursuant to the Series 2012D Financing Agreement, the Series 2012D School District is required to make payments scheduled to be sufficient to pay the principal, sinking fund installments and redemption price of and interest on the Series 2012D Bonds as the same become due, which payments have been pledged by the Authority to the Trustee for the benefit of the holders of the Series 2012D Bonds. Pursuant to the Series 2012E Financing Agreement, the Series 2012E School District is required to make payments scheduled to be sufficient to pay the principal, sinking fund installments and redemption price of and interest on the Series 2012E Bonds as the same become due, which payments have been pledged by the Authority to the Trustee for the benefit of the holders of the Series 2012E Bonds.

The Bonds are to mature on the dates and in the years and amounts and interest on the Bonds is payable at the rates and in the amounts set forth in the respective Bond Series Certificates executed and delivered pursuant to the Resolutions.

The Bonds are to be issued in fully registered form in denominations of $5,000 or any integral multiple thereof. The Bonds are payable, subject to redemption prior to maturity, exchangeable, transferable and secured upon such terms and conditions as are contained in the Resolutions and the respective Bond Series Certificates.

In such connection, we have reviewed the Resolutions, the Financing Agreements, the Tax Certificate and Agreements of the Authority dated as of the date hereof (the "Tax Certificates"), the Arbitrage and Use of Proceeds Certificates of the School Districts dated as of the date hereof (the "Arbitrage and Use of Proceeds Certificates"), the bonds of the School Districts delivered to the Authority to secure the obligations of each respective School District under its respective Financing Agreement, opinions of counsel to the Authority, the Trustee and the School Districts, the opinions of bond counsel to the respective School Districts, certificates of the Authority, the Trustee, the School Districts and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds will be and remain excluded from gross income under Section 103 of the Code. Included among these continuing requirements are certain restrictions and prohibitions on the use of proceeds of the Bonds and the facilities financed or refinanced by such proceeds, restrictions on the investment of such proceeds and other amounts, the rebate to the United States of certain earnings with respect to investments, and required ownership by a governmental unit of the facilities financed or refinanced by the Bonds. Failure to comply with the continuing requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactive to the date of their issuance irrespective of the date on which such noncompliance occurs. In the Resolutions, the Financing Agreements, and other documents and certificates contained in the transcript of proceedings, the Authority and the School Districts have covenanted to comply with certain procedures, and have made certain representations and certifications, designed to assure compliance with the requirements of the Code.

In rendering the opinion set forth in paragraph 6 below, we have assumed the accuracy of certain factual certifications of, and continuing compliance with, the covenants, representations, warranties, provisions and procedures set forth in the Resolutions, the Financing Agreements and the Tax Certificates and the Arbitrage and Use of Proceeds Certificates. In the event of the inaccuracy or incompleteness of any of the certifications made by the Authority or any of the School Districts, or the failure by the Authority or any of the School Districts to comply with the covenants, representations, warranties, provisions and procedures set forth in the Resolutions, the Financing Agreements and the Tax Certificates and the Arbitrage and Use of Proceeds Certificates, interest on the Bonds could become includable in gross income for federal income tax purposes retroactive to the date of the original execution and delivery of the Bonds, regardless of the date on which the event causing such inclusion occurs. We render no opinion as to the exclusion from gross income of interest on the Bonds for purposes of federal income taxation on or after the date on which any change occurs or action is taken or omitted under the Resolutions, the Financing Agreements, the Tax Certificates and the Arbitrage and Use of Proceeds Certificates or under any other relevant documents without the advice or approval of, or upon the advice or approval of any bond counsel other than, Hiscock & Barclay, LLP. In addition, we have not undertaken to determine, or to inform any person, whether any actions taken, or not taken, or events occurring, or not occurring, after the date of issuance of the Bonds may affect the tax status of interest on the Bonds. Further, although interest on the Bonds is excluded from gross income for purposes of federal income taxation, receipt or accrual of the interest may otherwise affect the tax liability of a holder of a Bond depending upon the tax status of such holder and such holder's other items of income and deduction. Except as stated in paragraph 6 below, we express no opinion as to federal or state and local tax consequences of the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. We disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Authority. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents and certificates, and of the legal conclusions contained in the opinions, referred to above. Furthermore, we have assumed compliance with all covenants and agreements contained in the Resolutions, the Financing Agreements, the Tax Certificates and the Arbitrage and Use of Proceeds Certificates, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Resolutions, the Financing Agreements, the Tax Certificates, the Arbitrage and Use of Proceeds Certificates and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles and to the exercise of judicial discretion in appropriate cases. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the foregoing documents. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no opinion with respect thereto herein.

Based on the foregoing and subject to the further assumptions and qualifications hereinafter set forth, we are of the opinion that:

1. The Authority is a body corporate and politic constituting a public benefit corporation of the State of New York, with the right and lawful authority and power to adopt the Resolutions and to issue the Bonds thereunder.

2. The Resolutions have been duly and lawfully adopted by the Authority, are in full force and effect, and constitute legal, valid and binding obligations of the Authority enforceable in accordance with their respective terms. The Master Resolution and the applicable Series 2012 Resolution create a valid pledge to secure the payment of the principal of and interest on the Bonds, of the Revenues and any other amounts (including proceeds of the sale of the Bonds) held by the Trustee in any fund or account established pursuant to the Master Resolution and the applicable Series 2012 Resolutions, except the Arbitrage Rebate Fund created thereby, subject to the provisions of the Master Resolution and the applicable Series 2012 Resolutions permitting the application thereof for the purposes and on the terms and conditions set forth in the Master Resolution and the applicable Series 2012 Resolutions.

3. The Bonds have been duly and validly authorized and issued in accordance with the Constitution and statutes of the State of New York, including the Act, and in accordance with the Resolutions. The Bonds are legal, valid and binding special obligations of the Authority payable solely from the sources provided therefor in the Master Resolution and the applicable Series 2012 Resolution, and will be entitled to the benefit of the Master Resolution, the applicable Series 2012 Resolution and the Act.

4. The Financing Agreements have been duly executed and delivered by the Authority and, assuming due execution and delivery thereof by the respective School Districts, constitute the valid and binding agreement of the Authority enforceable in accordance with its terms.

5. The Bonds are not a lien or charge upon the funds or property of the Authority except to the extent of the aforementioned pledge. Neither the faith and credit nor the taxing power of the State of New York or of any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. The Bonds are not a debt of the State of New York, and said State is not liable for the payment thereof.

6. Under existing statutes, regulations, rulings and court decisions, and assuming continuing compliance by the Authority and the School Districts (and their successors) with the covenants, and the accuracy of the representations (as to which we have made no independent investigation) referenced above, interest on the Bonds is excluded from gross income for federal income tax purposes. We are also of the opinion that interest on the Bonds is not an "item of tax preference" for purposes of computing the individual and corporate alternative minimum taxes imposed under the Code; provided, however, interest on the Bonds owned by corporations will be included in the calculation of adjusted current earnings, a portion of which is an adjustment to corporate alternative minimum taxable income for purposes of calculating the alternative minimum tax imposed on corporations.

7. The interest on the Bonds is exempt under existing statutes from personal income taxes imposed by the State of New York and its political subdivisions thereof (including The City of New York).

Other than the foregoing, we express no opinion regarding other federal or state tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

We have also examined an executed Series 2012A Bond, an executed Series 2012B Bond, an executed Series 2012C Bond, an executed Series 2012D Bond and an executed Series 2012E Bond and the form of said bonds and their execution are regular and proper.

Very truly yours,

SCHEDULE A

Series 2012A:

Altmar-Parish-Williamstown Central School District
Beaver River Central School District
City School District of the City of Binghamton
Bolivar-Richburg Central School District
Catskill Central School District
Cattaraugus-Little Valley Central School District
Copenhagen Central School District
Fabius-Pompey Central School District
Mexico Central School District
Onondaga Central School District
City School District of the City of Oswego
Rotterdam-Mohonasen Central School District
Windsor Central School District

Series 2012B:

Baldwinsville Central School District
Queensbury Union Free School District

Series 2012C:

Burnt Hills-Ballston Lake Central School District
Valley Central School District at Montgomery
City School District of the City of Watertown

Series 2012D:

City School District of the City of Utica

Series 2012E:

Downsville Central School District

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SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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ASSURED GUARANTY MUNICIPAL

MUNICIPAL BOND INSURANCE POLICY

ISSUER:

BONDS: $ in aggregate principal amount of

Policy No: -N

Effective Date:

Premium: $

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By ________________________________
Authorized Officer

Form 500NY (5/90)

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DORMITORY AUTHORITY OF THE STATE OF NEW YORK • SCHOOL DISTRICTS REVENUE BOND FINANCING PROGRAM REVENUE BONDS, SERIES 2012A, B, C AND D

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