



\$369,105,000

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

SCHOOL DISTRICTS REVENUE BOND FINANCING PROGRAM REVENUE BONDS

\$171,410,000	\$79,370,000	\$76,500,000	\$13,135,000	\$22,265,000	\$6,425,000
SERIES 2012F	SERIES 2012G	SERIES 2012H	SERIES 2012I	SERIES 2012J	SERIES 2012K

Dated: Date of Delivery

Due: As shown on the inside cover

Payment and Security: The School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012F (the "Series 2012F Bonds"), the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012G (the "Series 2012G Bonds"), the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012H (the "Series 2012H Bonds"), the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012I (the "Series 2012I Bonds"), the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012J (the "Series 2012J Bonds") and the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012K (the "Series 2012K Bonds") and, together with the Series 2012F Bonds, the Series 2012G Bonds, the Series 2012H Bonds, the Series 2012I Bonds and the Series 2012J 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 September 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 June 20, 2012, authorizing such Series (individually, the "Series 2012F Resolution," the "Series 2012G Resolution," the "Series 2012H Resolution," the "Series 2012I Resolution," the "Series 2012J Resolution" and the "Series 2012K Resolution" and, together, the "Series 2012 Resolutions"). The Master Resolution and the Series 2012 Resolutions are herein collectively referred to as the "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 the Series 2012F Bonds and Series 2012K Bonds as set forth on the inside cover pages of this Official Statement (collectively, the "Insured Bonds") when due will be guaranteed under insurance policies (collectively, the "Policy") to be issued concurrently with the delivery of the Insured Bonds by Assured Guaranty Municipal Corp. ("AGM" or the "Insurer").



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 Holders 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 Holder, 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 Deutsche Bank Trust Company Americas, New York, New York, the Trustee and Paying Agent or, with respect to Redemption Price, at the option of Holders 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 Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, 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 (the "Code"). In the further opinion of Bond Counsel, interest on the Series 2012 Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Bond Counsel is also of the opinion that interest on the Series 2012 Bonds is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2012 Bonds. See "PART 10 – TAX MATTERS" herein.

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 Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel to the Authority, and to certain other conditions. Certain legal matters will be passed upon for the Underwriters by their co-counsel, Winston & Strawn LLP, New York, New York, and Law Offices of Joseph C. Reid, P.A., New York, 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 October 31, 2012.

RBC Capital Markets
Jefferies
Roosevelt & Cross, Incorporated
BB&T Capital Markets
Janney Montgomery Scott LLC
M.R. Beal & Company
Sterne, Agee & Leach, Inc.

Citi
J.P. Morgan
Mesirow Financial, Inc.
The Williams Capital Group L.P.

Raymond James | Morgan Keegan
Ramirez & Co., Inc.
Stifel, Nicolaus & Company Incorporated
Fidelity Capital Markets
Lebenthal & Co., LLC
Rice Financial Products Company
Wells Fargo Bank, N.A.

\$369,105,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
SCHOOL DISTRICTS REVENUE BOND FINANCING PROGRAM REVENUE BONDS

\$171,410,000
SERIES 2012F

<u>Due</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>	<u>Due</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
Apr. 1, 2013	\$285,000	2.00%	0.25%	649907AA0	Oct. 1, 2019 [†]	\$11,590,000	5.00%	1.71%	649907AP7
Oct. 1, 2013	21,485,000	3.00	0.30	649907AB8	Oct. 1, 2020 [†]	7,045,000	5.00	1.99	649907AQ5
Apr. 1, 2014	305,000	3.00	0.58	649907AC6	Oct. 1, 2021 [†]	7,025,000	5.00	2.20	649907AR3
Oct. 1, 2014	18,455,000	4.00	0.61	649907AD4	Oct. 1, 2022 [†]	5,850,000	5.00	2.39	649907AS1
Apr. 1, 2015	315,000	3.00	0.77	649907AE2	Oct. 1, 2023 [†]	5,825,000	5.00	2.53 ⁽²⁾	649907AT9
Oct. 1, 2015	18,115,000	5.00	0.77	649907AF9	Oct. 1, 2024 [†]	6,130,000	5.00	2.61 ⁽²⁾	649907AU6
Apr. 1, 2016 [†]	330,000	3.00	0.92	649907AG7	Oct. 1, 2025 [†]	5,565,000	5.00	2.68 ⁽²⁾	649907AV4
Oct. 1, 2016 [†]	18,250,000	5.00	0.95	649907AH5	Oct. 1, 2026 [†]	5,850,000	5.00	2.75 ⁽²⁾	649907AW2
Apr. 1, 2017 [†]	100,000	3.00	1.13	649907AJ1	Oct. 1, 2027 [†]	4,215,000	5.00	2.81 ⁽²⁾	649907AX0
Oct. 1, 2017 [†]	15,860,000	5.00	1.16	649907AK8	Oct. 1, 2028 [†]	2,035,000	5.00	2.86 ⁽²⁾	649907AY8
Apr. 1, 2018 [†]	105,000	3.00	1.40	649907AL6	Oct. 1, 2029 [†]	1,330,000	3.10	3.12	649907AZ5
Oct. 1, 2018 [†]	14,195,000	5.00	1.44	649907AM4	Oct. 1, 2030 [†]	1,040,000	3.15	3.18	649907BA9
Apr. 1, 2019 [†]	110,000	3.00	1.69	649907AN2					

\$79,370,000
SERIES 2012G

<u>Due</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>	<u>Due</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
Apr. 1, 2013	\$5,095,000	2.00%	0.25%	649907BB7	Apr. 1, 2020	\$4,680,000	5.00%	1.72%	649907BR2
Oct. 1, 2013	2,230,000	2.00	0.30	649907BC5	Oct. 1, 2020	1,665,000	4.00	1.81	649907BS0
Apr. 1, 2014	5,455,000	5.00	0.50	649907BD3	Apr. 1, 2021	1,545,000	5.00	1.95	649907BT8
Oct. 1, 2014	1,330,000	3.00	0.55	649907BE1	Oct. 1, 2021	1,730,000	4.00	2.04	649907BU5
Apr. 1, 2015	5,730,000	5.00	0.69	649907BF8	Oct. 1, 2022	1,800,000	5.00	2.22	649907BV3
Oct. 1, 2015	1,370,000	4.00	0.71	649907BG6	Oct. 1, 2023	1,890,000	5.00	2.35 ⁽²⁾	649907BW1
Apr. 1, 2016	5,775,000	5.00	0.83	649907BH4	Oct. 1, 2024	1,985,000	5.00	2.43 ⁽²⁾	649907BX9
Oct. 1, 2016	1,420,000	4.00	0.86	649907BJ0	Oct. 1, 2025	2,085,000	5.00	2.50 ⁽²⁾	649907BY7
Apr. 1, 2017	6,065,000	5.00	1.05	649907BK7	Oct. 1, 2026	2,185,000	5.00	2.59 ⁽²⁾	649907BZ4
Oct. 1, 2017	1,475,000	4.00	1.12	649907BL5	Oct. 1, 2027	2,295,000	5.00	2.63 ⁽²⁾	649907CA8
Apr. 1, 2018	5,000,000	2.25	1.21	649907CE0	Oct. 1, 2028	2,415,000	5.00	2.67 ⁽²⁾	649907CB6
Apr. 1, 2018	1,365,000	5.00	1.21	649907BM3	Oct. 1, 2029	500,000	4.00	2.77 ⁽²⁾	649907CF7
Oct. 1, 2018	1,540,000	4.00	1.29	649907BN1	Oct. 1, 2029	2,035,000	5.00	2.75 ⁽²⁾	649907CC4
Apr. 1, 2019	4,455,000	5.00	1.45	649907BP6	Oct. 1, 2030	2,655,000	5.00	2.83 ⁽²⁾	649907CD2
Oct. 1, 2019	1,600,000	4.00	1.56	649907BQ4					

⁽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 2012 Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

[†] Insured by Assured Guaranty Municipal Corp.

**\$76,500,000
SERIES 2012H**

				Interest						Interest				
<u>Due</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>	<u>Due</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>	<u>Due</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
Apr. 1, 2013	\$960,000	2.00%	0.25%	649907CG5	Apr. 1, 2022	\$215,000	3.00%	2.39%	649907DA7					
Oct. 1, 2013	5,520,000	2.00	0.30	649907CH3	Oct. 1, 2022	3,960,000	5.00	2.38	649907DB5					
Apr. 1, 2014	1,085,000	3.00	0.55	649907CJ9	Apr. 1, 2023	220,000	3.00	2.52 ⁽²⁾	649907DC3					
Oct. 1, 2014	5,460,000	5.00	0.58	649907CK6	Oct. 1, 2023	2,610,000	5.00	2.52 ⁽²⁾	649907DD1					
Apr. 1, 2015	900,000	4.00	0.74	649907CL4	Apr. 1, 2024	225,000	3.00	2.78 ⁽²⁾	649907DE9					
Oct. 1, 2015	5,555,000	5.00	0.76	649907CM2	Oct. 1, 2024	2,735,000	5.00	2.62 ⁽²⁾	649907DF6					
Apr. 1, 2016	660,000	4.00	0.93	649907CN0	Apr. 1, 2025	235,000	3.00	2.86 ⁽²⁾	649907DG4					
Oct. 1, 2016	5,590,000	5.00	0.96	649907CP5	Oct. 1, 2025	2,885,000	5.00	2.67 ⁽²⁾	649907DH2					
Apr. 1, 2017	680,000	4.00	1.17	649907CQ3	Apr. 1, 2026	240,000	3.00	2.94 ⁽²⁾	649907DJ8					
Oct. 1, 2017	4,865,000	5.00	1.19	649907CR1	Oct. 1, 2026	2,740,000	5.00	2.75 ⁽²⁾	649907DK5					
Apr. 1, 2018	705,000	4.00	1.39	649907CS9	Apr. 1, 2027	250,000	3.00	3.01	649907DL3					
Oct. 1, 2018	5,105,000	5.00	1.41	649907CT7	Oct. 1, 2027	1,580,000	5.00	2.80 ⁽²⁾	649907DM1					
Apr. 1, 2019	390,000	4.00	1.69	649907CU4	Apr. 1, 2028	255,000	3.00	3.06	649907DN9					
Oct. 1, 2019	5,360,000	5.00	1.72	649907CV2	Oct. 1, 2028	1,665,000	5.00	2.86 ⁽²⁾	649907DP4					
Apr. 1, 2020	200,000	3.00	1.96	649907CW0	Apr. 1, 2029	265,000	3.10	3.12	649907DQ2					
Oct. 1, 2020	5,635,000	5.00	1.98	649907CX8	Oct. 1, 2029	1,520,000	5.00	2.93 ⁽²⁾	649907DR0					
Apr. 1, 2021	210,000	3.00	2.18	649907CY6	Apr. 1, 2030	275,000	3.125	3.18	649907DS8					
Oct. 1, 2021	5,465,000	5.00	2.19	649907CZ3	Apr. 1, 2031	280,000	3.25	3.25	649907DT6					

**\$13,135,000
SERIES 2012I**

				Interest						Interest				
<u>Due</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>	<u>Due</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>	<u>Due</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
Apr. 1, 2013	\$100,000	2.00%	0.25%	649907DU3	Oct. 1, 2015	\$2,275,000	4.00%	0.74%	649907DZ2					
Oct. 1, 2013	2,685,000	2.00	0.30	649907DV1	Apr. 1, 2016	80,000	2.00	0.88	649907EA6					
Apr. 1, 2014	80,000	2.00	0.55	649907DW9	Oct. 1, 2016	2,370,000	5.00	0.91	649907EB4					
Oct. 1, 2014	2,190,000	4.00	0.58	649907DX7	Oct. 1, 2017	2,420,000	5.00	1.17	649907EC2					
Apr. 1, 2015	80,000	2.00	0.72	649907DY5	Oct. 1, 2018	855,000	3.00	1.40	649907ED0					

**\$22,265,000
SERIES 2012J**

				Interest						Interest				
<u>Due</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>	<u>Due</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>	<u>Due</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
Oct. 1, 2013	\$2,150,000	2.00%	0.30%	649907EE8	Oct. 1, 2019	\$2,645,000	5.00%	1.76%	649907EL2					
Oct. 1, 2014	2,110,000	4.00	0.60	649907EF5	Oct. 1, 2020	2,775,000	5.00	2.03	649907EM0					
Oct. 1, 2015	2,200,000	4.00	0.76	649907EG3	Oct. 1, 2021	1,510,000	4.00	2.25	649907EN8					
Oct. 1, 2016	2,280,000	5.00	0.96	649907EH1	Oct. 1, 2022	545,000	3.00	2.43	649907EP3					
Oct. 1, 2017	2,400,000	5.00	1.22	649907EJ7	Oct. 1, 2023	560,000	3.00	2.55 ⁽²⁾	649907EQ1					
Oct. 1, 2018	2,520,000	5.00	1.45	649907EK4	Oct. 1, 2024	570,000	3.00	2.80 ⁽²⁾	649907ER9					

**\$6,425,000
SERIES 2012K**

				Interest						Interest				
<u>Due</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>	<u>Due</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>	<u>Due</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
Apr. 1, 2013	\$410,000	2.00%	0.25%	649907ES7	Oct. 1, 2016 [†]	\$1,010,000	5.00%	0.95%	649907EZ1					
Oct. 1, 2013	930,000	2.00	0.30	649907ET5	Apr. 1, 2017 [†]	210,000	3.00	1.15	649907FA5					
Apr. 1, 2014	410,000	3.00	0.60	649907EU2	Apr. 1, 2018 [†]	215,000	3.00	1.42	649907FB3					
Oct. 1, 2014	935,000	4.00	0.65	649907EV0	Apr. 1, 2019 [†]	225,000	3.00	1.69	649907FC1					
Apr. 1, 2015	195,000	3.00	0.79	649907EW8	Apr. 1, 2020 [†]	230,000	3.00	1.98	649907FD9					
Oct. 1, 2015	970,000	4.00	0.81	649907EX6	Apr. 1, 2021 [†]	235,000	3.00	2.20	649907FE7					
Apr. 1, 2016 [†]	205,000	3.00	0.92	649907EY4	Apr. 1, 2022 [†]	245,000	3.00	2.42	649907FF4					

⁽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 2012 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, the Insurer 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 18 – 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.

Assured Guaranty Municipal Corp. ("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" and "Appendix H – Specimen Municipal Bond Insurance Policy".

References in this Official Statement to the Act, the Master Resolution, the Series 2012 Resolutions, the Agreements, the School District Bonds and the Policy do not purport to be complete. Refer to the Act, the Master Resolution, the Series 2012 Resolutions, the Agreements, the School District Bonds and the Policy for full and complete details of their provisions. Copies of the Master Resolution, the Series 2012 Resolutions, the Agreements, the School District Bonds and the Policy 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.

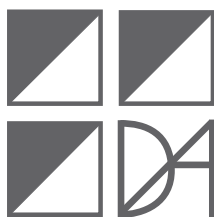
Under no circumstances shall the delivery of this Official Statement or any sale made after its delivery create any implication that the affairs of the Authority and the School Districts have remained unchanged after the date of this Official Statement.

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 OVERALLOT 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
PAUL T. WILLIAMS, JR. – PRESIDENT

515 BROADWAY, ALBANY, N.Y. 12207
ALFONSO L. CARNEY, JR., ESQ. – CHAIR

OFFICIAL STATEMENT RELATING TO

\$369,105,000

DORMITORY AUTHORITY OF THE STATE OF NEW YORK
SCHOOL DISTRICTS REVENUE BOND FINANCING PROGRAM REVENUE BONDS

\$171,410,000	\$79,370,000	\$76,500,000	\$13,135,000	\$22,265,000	\$6,425,000
SERIES 2012F	SERIES 2012G	SERIES 2012H	SERIES 2012I	SERIES 2012J	SERIES 2012K

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 \$171,410,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012F (the “Series 2012F Bonds”), \$79,370,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012G (the “Series 2012G Bonds”), \$76,500,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012H (the “Series 2012H Bonds”), \$13,135,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012I (the “Series 2012I Bonds”), \$22,265,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012J (the “Series 2012J Bonds”) and \$6,425,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2012K (the “Series 2012K Bonds” and, together with the Series 2012F Bonds, the Series 2012G Bonds, the Series 2012H Bonds, the Series 2012I Bonds and the Series 2012J 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 thereof together with other funds available to the Authority will be used: (a) to refund all or a portion of the Authority’s outstanding School Districts Revenue Bond Financing Program Revenue Bonds, Series 2002A (the “Series 2002A Bonds”); (b) to refund all of the Authority’s outstanding School Districts Revenue Bond Financing Program Revenue Bonds, Series 2002B (the “Series 2002B Bonds”); (c) to refund all or a portion of the Authority’s outstanding School Districts Revenue Bond Financing Program Revenue Bonds, Series 2002C (the “Series 2002C Bonds”); (d) to refund all or a portion of the Authority’s outstanding School Districts Revenue Bond Financing Program Revenue Bonds, Series 2002D (the “Series 2002D Bonds”); (e) to refund all of the Authority’s outstanding School Districts Revenue Bond Financing Program Revenue Bonds, Series 2002E (the “Series 2002E Bonds”); (f) to refund all of the Authority’s outstanding School Districts Revenue Bond Financing Program Revenue Bonds, Series 2002G (the “Series 2002G Bonds”); (g) to

refund all or a portion of the Authority's outstanding School Districts Revenue Bond Financing Program Revenue Bonds, Series 2002H (the "Series 2002H Bonds"); and (h) to refund all or a portion of the Authority's outstanding School Districts Revenue Bond Financing Program Revenue Bonds, Series 2002I (the "Series 2002I Bonds" and together with the Series 2002A Bonds, the Series 2002B Bonds, the Series 2002C Bonds, the Series 2002D Bonds, the Series 2002E Bonds, the Series 2002G Bonds and the Series 2002H Bonds, the "Series 2002 Bonds"). Proceeds from the sale of the Series 2012 Bonds will be used (i) to provide, together with other available funds, for payment of the redemption price of and accrued interest to the respective redemption dates of the Series 2002 Bonds identified on Appendix G (the "Refunded Bonds") and (ii) to pay the Costs of Issuance of the Series 2012 Bonds. The Refunded Bonds were originally issued to refund certain existing indebtedness of the School Districts issued to finance all or a portion of the costs of school district capital facilities and school district capital equipment as described in the Financing Agreements relating to each School District. See "PART 5 – THE REFUNDING PLAN" and "PART 6 – 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 refunding, from the proceeds of the applicable Series of the Series 2012 Bonds, bonds of the applicable School District issued in 2002 which were issued to refinance school projects. 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 – Additional Bonds and Other Indebtedness."

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, then, to the extent such deficiency corresponds to the Insured Bonds (defined herein), the only source of payment for such Insured Bonds will be the payment made by the Insurer under the Policy (defined herein). 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*.”

The Refunding Plan

The Refunded Bonds will be refunded with a portion of the proceeds of the Series 2012 Bonds. The Refunded Bonds will be called for redemption on November 1, 2012 at the redemption price equal to 100% of the principal amount of the Refunded Bonds, plus accrued and unpaid interest to the redemption date. See “PART 5 – THE REFUNDING PLAN.”

Bond Insurance

The scheduled payment of principal of and interest on certain maturities of the Series 2012F Bonds and Series 2012K Bonds as set forth on the inside cover pages of this Official Statement (collectively, the “Insured Bonds”) when due will be guaranteed under insurance policies (collectively, 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. See in this PART 2 "– Bond Insurance."

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 "– Additional Bonds and Other Indebtedness."

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.

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.

Additional Bonds and Other Indebtedness

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 Authority has also previously issued the following Series of Bonds under the Master Resolution for the benefit of the following School Districts and has loaned the proceeds of such Series of Bonds to the following School Districts:

<u>Series of Bonds</u>	<u>School District</u>
2010B	Allegheny-Limestone Central School District
2012C	Burnt Hills-Ballston Lake Central School District
2009C	Canajoharie Central School District
2009C	Carthage Central School District
2011E, 2012A	Catskill Central School District
2011A	Chittenango Central School District
2008C	Cobleskill-Richmondville Central School District
2007A, 2007B, 2009C	City School District of the City of Gloversville
2009C	City School District of the City of Niagara Falls
2008A	City School District of the City of Norwich
2009B	Perry Central School District
2012B	Queensbury Union Free School District
2012A	Rotterdam-Mohonasen Central School District
2010A	South Glens Falls Central School District
2011D	South Lewis Central School District
2008A, 2012C	City School District of the City of Watertown

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. 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 H for a specimen of the Policy of AGM.

Bond Insurance Policy

Concurrently with the issuance of the Series 2012 Bonds, AGM will issue its Policy for the Insured Bonds. 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.moody.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, its Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2012, and its Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012.

Capitalization of Assured Guaranty Municipal Corp.

At June 30, 2012, AGM’s consolidated policyholders’ surplus and contingency reserves were approximately \$3,169,404,271 and its total net unearned premium reserve was approximately \$2,204,572,593, in each case, in accordance with statutory accounting principles.

AGM’s statutory financial statements for the fiscal year ended December 31, 2011, for the quarterly period ended March 31, 2012, and for the quarterly period ended June 30, 2012, which have been filed with the New York State Department of Financial Services and posted on AGL’s website at 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);
- (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); and
- (iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012 (filed by AGL with the SEC on August 9, 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, NY 10019, Attention: Communications Department (telephone: (212) 826-0100).

Any information regarding AGM included herein under the caption “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 “Bond Insurance.”

Bond Insurance Risk Factors

In the event of default of 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, if any), the payments under the Policy 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 H – 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 of the Insured Bonds will not be subject to downgrade and such event could adversely affect the market price or marketability of the Insured Bonds. See “– Bond Insurance – *Current Financial Strength Ratings*” and “PART 17 – RATINGS” herein.

The obligations of the Insurer under the Policy 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 provided by 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 Deutsche Bank Trust Company Americas, 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

Optional Redemption

The Series 2012F Bonds maturing on or before October 1, 2022 are not subject to optional redemption prior to maturity. The Series 2012F Bonds maturing after October 1, 2022 are subject to optional 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 2012F Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

The Series 2012G Bonds maturing on or before October 1, 2022 are not subject to optional redemption prior to maturity. The Series 2012G 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 2012G Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

The Series 2012H Bonds maturing on or before October 1, 2022 are not subject to optional redemption prior to maturity. The Series 2012H 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 2012H Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

The Series 2012I Bonds are not subject to optional redemption prior to maturity.

The Series 2012J Bonds maturing on or before October 1, 2022 are not subject to optional redemption prior to maturity. The Series 2012J 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 2012J Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

The Series 2012K Bonds are not subject to optional redemption prior to 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 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"). 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 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 INSURER, 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 2012F Bonds during each twelve-month period ending October 1 of the years shown.

12-Month Period Ending October 1,	Principal of the Series 2012F Bonds	Interest on the Series 2012F Bonds	Total Debt Service on the Series 2012F Bonds
2013	\$21,770,000	\$7,240,432	\$29,010,432
2014	18,760,000	7,223,065	25,983,065
2015	18,430,000	6,475,565	24,905,565
2016	18,580,000	5,560,140	24,140,140
2017	15,960,000	4,641,190	20,601,190
2018	14,300,000	3,845,115	18,145,115
2019	11,700,000	3,132,140	14,832,140
2020	7,045,000	2,550,990	9,595,990
2021	7,025,000	2,198,740	9,223,740
2022	5,850,000	1,847,490	7,697,490
2023	5,825,000	1,554,990	7,379,990
2024	6,130,000	1,263,740	7,393,740
2025	5,565,000	957,240	6,522,240
2026	5,850,000	678,990	6,528,990
2027	4,215,000	386,490	4,601,490
2028	2,035,000	175,740	2,210,740
2029	1,330,000	73,990	1,403,990
2030	1,040,000	32,760	1,072,760

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

12-Month Period Ending October 1,	Principal of the Series 2012G Bonds	Interest on the Series 2012G Bonds	Total Debt Service on the Series 2012G Bonds
2013	\$7,325,000	\$3,141,039	\$10,466,039
2014	6,785,000	3,188,775	9,973,775
2015	7,100,000	2,869,250	9,969,250
2016	7,195,000	2,526,825	9,721,825
2017	7,540,000	2,174,025	9,714,025
2018	7,905,000	1,873,025	9,778,025
2019	6,055,000	1,609,675	7,664,675
2020	6,345,000	1,317,300	7,662,300
2021	3,275,000	1,095,075	4,370,075
2022	1,800,000	987,250	2,787,250
2023	1,890,000	897,250	2,787,250
2024	1,985,000	802,750	2,787,750
2025	2,085,000	703,500	2,788,500
2026	2,185,000	599,250	2,784,250
2027	2,295,000	490,000	2,785,000
2028	2,415,000	375,250	2,790,250
2029	2,535,000	254,500	2,789,500
2030	2,655,000	132,750	2,787,750

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

12-Month Period Ending October 1,	Principal of the Series 2012H Bonds	Interest on the Series 2012H Bonds	Total Debt Service on the Series 2012H Bonds
2013	\$6,480,000	\$3,226,347	\$9,706,347
2014	6,545,000	3,373,584	9,918,584
2015	6,455,000	3,066,309	9,521,309
2016	6,250,000	2,757,359	9,007,359
2017	5,545,000	2,451,059	7,996,059
2018	5,810,000	2,180,109	7,990,109
2019	5,750,000	1,902,959	7,652,959
2020	5,835,000	1,624,159	7,459,159
2021	5,675,000	1,336,259	7,011,259
2022	4,175,000	1,056,634	5,231,634
2023	2,830,000	852,109	3,682,109
2024	2,960,000	714,934	3,674,934
2025	3,120,000	571,284	3,691,284
2026	2,980,000	419,909	3,399,909
2027	1,830,000	275,559	2,105,559
2028	1,920,000	188,984	2,108,984
2029	1,785,000	97,801	1,882,801
2030	275,000	13,397	288,397
2031	280,000	4,550	284,550

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

12-Month Period Ending October 1,	Principal of the Series 2012I Bonds	Interest on the Series 2012I Bonds	Total Debt Service on the Series 2012I Bonds
2013	\$2,785,000	\$462,630	\$3,247,630
2014	2,270,000	447,750	2,717,750
2015	2,355,000	358,550	2,713,550
2016	2,450,000	265,950	2,715,950
2017	2,420,000	146,650	2,566,650
2018	855,000	25,650	880,650

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

12-Month Period Ending October 1,	Principal of the Series 2012J Bonds	Interest on the Series 2012J Bonds	Total Debt Service on the Series 2012J Bonds
2013	\$2,150,000	\$879,954	\$3,029,954
2014	2,110,000	914,050	3,024,050
2015	2,200,000	829,650	3,029,650
2016	2,280,000	741,650	3,021,650
2017	2,400,000	627,650	3,027,650
2018	2,520,000	507,650	3,027,650
2019	2,645,000	381,650	3,026,650
2020	2,775,000	249,400	3,024,400
2021	1,510,000	110,650	1,620,650
2022	545,000	50,250	595,250
2023	560,000	33,900	593,900
2024	570,000	17,100	587,100

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

12-Month Period Ending October 1,	Principal of the Series 2012K Bonds	Interest on the Series 2012K Bonds	Total Debt Service on the Series 2012K Bonds
2013	\$1,340,000	\$196,891	\$1,536,891
2014	1,345,000	185,650	1,530,650
2015	1,165,000	139,175	1,304,175
2016	1,215,000	94,375	1,309,375
2017	210,000	37,650	247,650
2018	215,000	31,275	246,275
2019	225,000	24,675	249,675
2020	230,000	17,850	247,850
2021	235,000	10,875	245,875
2022	245,000	3,675	248,675

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

12-Month Period Ending <u>October 1</u>	Total Debt Service on the <u>Series 2012 Bonds</u>
2013	\$56,997,293
2014	53,147,874
2015	51,443,499
2016	49,916,299
2017	44,153,224
2018	40,067,824
2019	33,426,099
2020	27,989,699
2021	22,471,599
2022	16,560,299
2023	14,443,249
2024	14,443,524
2025	13,002,024
2026	12,713,149
2027	9,492,049
2028	7,109,974
2029	6,076,291
2030	4,148,907
2031	284,550

PART 4 – THE SCHOOL DISTRICTS

The principal amount of the Loans to the School Districts, the financial advisors to the School Districts and the bond counsels 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 as to debt contracted prior to the effective date of any such restrictive legislation.

The Local Finance Law provides that where a school district bond resolution is published with a statutory form of notice, the validity of the obligations authorized thereby may be contested only if:

- (1) Such obligations are authorized for a purpose for which the School District is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations

and an action contesting such validity is commenced within twenty days after the date of such publication, or

- (3) Such obligations are authorized in violation of the provisions of the State Constitution.

Each of the School Districts, except for the City School District of the City of Niagara Falls, has complied with the foregoing estoppel procedure with respect to the School District Bonds (the "Estoppel Procedure"). It is anticipated that the Estoppel Procedure with respect to the City School District of the City of Niagara Falls School District Bonds will be complied with prior to the delivery of the Series 2012 Bonds. In the event the Estoppel Procedure is not complied with with respect to the City School District of the City of Niagara Falls School District Bonds, or in the event an action contesting the validity of the City School District of the City of Niagara Falls School District Bonds is commenced within the time period described above, the Series 2012K Bonds will not be issued or delivered to the Underwriters.

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 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 to 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 2011 and 2012 fiscal years, State aid to School Districts was paid in a timely manner; however, 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. 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 2008-2009 through 2011-2012 fiscal years and the budgeted amount of such payments to be made to the Retirement Systems in the 2012-2013 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 potential or pending litigation known to such School District does not affect the right of such School District to conduct its business or affect the validity of its obligations.

PART 5 – THE REFUNDING PLAN

The Series 2012 Bonds are being issued to refund the Refunded Bonds. The Refunded Bonds are listed on Appendix G hereto and consist of a portion of the Series 2002 Bonds. A portion of the proceeds of the Series 2012 Bonds, together with other funds available to the Authority, will be deposited into an escrow held by the bond trustee for the Refunded Bonds in an amount sufficient to pay, without any investment, the redemption price of the Refunded Bonds on November 1, 2012. The cash deposited with such trustee will be held in escrow solely for the payment of the redemption price of and interest on the Refunded Bonds. See “PART 16 – VERIFICATION OF MATHEMATICAL COMPUTATIONS.”

PART 6 – ESTIMATED SOURCES AND USES OF FUNDS

Estimated sources and uses of funds are as follows:

Estimated Sources of Funds	Series 2012F Bonds	Series 2012G Bonds	Series 2012H Bonds	Series 2012I Bonds	Series 2012J Bonds	Series 2012K Bonds
Principal Amount.....	\$171,410,000	\$79,370,000	\$ 76,500,000	\$13,135,000	\$22,265,000	\$6,425,000
Net Original Issue Premium	25,486,246	11,533,136	12,124,966	1,296,725	3,092,327	455,902
School District Funds	700,000	0	0	2,300,000	0	0
Total Estimated Sources	\$197,596,246	\$90,903,136	\$88,624,966	\$16,731,725	\$25,357,327	\$6,880,902
Estimated Uses of Funds						
Deposit to Escrow Fund.....	\$193,028,840	\$89,508,246	\$86,484,518	\$16,453,278	\$24,898,738	\$6,651,329
Costs of Issuance*	3,615,671 [†]	932,586	1,685,752	217,284	331,101	198,448 [†]
Underwriters' Discount.....	951,735	462,304	454,696	61,163	127,488	31,125
Total Estimated Uses	\$197,596,246	\$90,903,136	\$88,624,966	\$16,731,725	\$25,357,327	\$6,880,902

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

† Includes bond insurance premium.

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 September 30, 2012, the Authority had approximately \$46 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.

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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 September 30, 2012 were as follows:

<u>Public Programs</u>	<u>Bonds Issued</u>	<u>Bonds Outstanding</u>	<u>Notes Outstanding</u>	<u>Bonds and Notes Outstanding</u>
State University of New York Dormitory Facilities	\$ 2,973,376,000	\$ 1,546,315,000	\$ 0	\$ 1,546,315,000
State University of New York Educational and Athletic Facilities	16,765,662,999	7,139,229,207	0	7,139,229,207
Upstate Community Colleges of the State University of New York.....	1,644,630,000	647,385,000	0	647,385,000
Senior Colleges of the City University of New York	11,488,156,762	3,899,363,213	0	3,899,363,213
Community Colleges of the City University of New York	2,658,613,350	581,786,787	0	581,786,787
BOCES and School Districts	3,504,056,208	2,532,440,000	0	2,532,440,000
Judicial Facilities	2,161,277,717	637,947,717	0	637,947,717
New York State Departments of Health and Education and Other.....	9,336,660,000	6,647,410,000	0	6,647,410,000
Mental Health Services Facilities	8,662,585,000	4,009,210,000	0	4,009,210,000
New York State Taxable Pension Bonds....	773,475,000	0	0	0
Municipal Health Facilities Improvement Program	<u>1,146,845,000</u>	<u>717,200,000</u>	<u>0</u>	<u>717,200,000</u>
Totals Public Programs.....	<u>\$61,115,338,036</u>	<u>\$28,358,286,924</u>	<u>\$ 0</u>	<u>\$28,358,286,924</u>
<u>Non-Public Programs</u>	<u>Bonds Issued</u>	<u>Bonds Outstanding</u>	<u>Notes Outstanding</u>	<u>Bonds and Notes Outstanding</u>
Independent Colleges, Universities and Other Institutions.....	\$21,385,814,952	\$10,564,624,324	\$70,895,000	\$10,635,519,324
Voluntary Non-Profit Hospitals.....	15,487,504,309	6,763,085,000	0	6,763,085,000
Facilities for the Aged	2,090,355,000	536,280,000	0	536,280,000
Supplemental Higher Education Loan Financing Program.....	<u>95,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Totals Non-Public Programs.....	<u>\$39,058,674,261</u>	<u>\$17,863,989,324</u>	<u>\$70,895,000</u>	<u>\$17,934,884,324</u>
Grand Totals Bonds and Notes	<u>\$100,174,012,297</u>	<u>\$46,222,276,248</u>	<u>\$70,895,000</u>	<u>\$46,293,171,248</u>

Outstanding Indebtedness of the Agency Assumed by the Authority

At September 30, 2012, the Agency had approximately \$163 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 September 30, 2012 were as follows:

<u>Public Programs</u>	<u>Bonds Issued</u>	<u>Bonds Outstanding</u>
Mental Health Services Improvement Facilities.....	\$ 3,817,230,725	\$ 0
<u>Non-Public Programs</u>	<u>Bonds Issued</u>	<u>Bonds Outstanding</u>
Hospital and Nursing Home Project Bond Program....	\$ 226,230,000	\$ 2,035,000
Insured Mortgage Programs	6,625,079,927	158,710,000
Revenue Bonds, Secured Loan and Other Programs ...	<u>2,414,240,000</u>	<u>2,790,000</u>
Total Non-Public Programs	<u>\$ 9,265,549,927</u>	<u>\$ 163,535,000</u>
Total MCFFA Outstanding Debt	<u>\$ 13,082,780,652</u>	<u>\$ 163,535,000</u>

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.

TIM C. LOFTIS, Esq., Buffalo.

Tim Loftis was appointed as a Member of the Authority by the Governor on June 20, 2012. Mr. Loftis is a partner in the Business and Corporate practice group of the law firm Jaeckle Fleischmann & Mugel, LLP. He has experience in business and corporate matters with an emphasis on transactional matters, including domestic and international mergers and acquisitions as well as complex commercial financing transactions. Mr. Loftis is Chair of the Board of Directors of the Buffalo Niagara Partnership. He is admitted to practice law in the State of New York and the U.S. District Court for the Western District of New York. Mr. Loftis holds a Bachelors of Arts degree from the State University of New York at Buffalo and a Juris Doctor degree from Georgetown University Law Center. His term expires on March 31, 2015.

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. Ronski 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. Ronski 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. Ronski 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. Ronski 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, 2012. 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 Orrick, Herrington & Sutcliffe LLP (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, 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 (the “Code”). Bond Counsel is of the further opinion that interest on the Series 2012 Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Bond Counsel is also of the opinion that interest on the Series 2012 Bonds is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix F hereto.

To the extent the issue price of any maturity of the Series 2012 Bonds is less than the amount to be paid at maturity of such Series 2012 Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Series 2012 Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Series 2012 Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Series 2012 Bonds is the first price at which a substantial amount of such maturity of the Series 2012 Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Series 2012 Bonds accrues daily over the term to maturity of such Series 2012 Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Series 2012 Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Series 2012 Bonds. Beneficial Owners of the Series 2012 Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Series 2012 Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Series 2012 Bonds in the original offering to the public at the first price at which a substantial amount of such Series 2012 Bonds is sold to the public.

Series 2012 Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Bonds”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2012 Bonds. The Authority and the School Districts have made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Series 2012 Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Series 2012 Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2012 Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel’s attention after the date of issuance of the Series 2012 Bonds may adversely affect the value of, or the tax status of interest on, the Series 2012 Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Series 2012 Bonds is excluded from gross income for federal income tax purposes and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York), the ownership or disposition of, or the accrual or receipt of interest on, the Series 2012 Bonds may otherwise affect a Beneficial Owner’s federal, state or

local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2012 Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. As one example, the Obama Administration recently announced a legislative proposal which, for tax years beginning on or after January 1, 2013, generally would limit the exclusion from gross income of interest on obligations like the Bonds to some extent for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Bonds. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Series 2012 Bonds. Prospective purchasers of the Series 2012 Bonds should consult their own tax advisers regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Series 2012 Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Authority or the School Districts, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Authority and the School Districts have covenanted, however, to comply with the requirements of the Code.

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, the School Districts or the Beneficial Owners 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, the School Districts and their appointed counsel, including the Beneficial Owners, 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 or the School Districts 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 Beneficial Owners 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 Orrick, Herrington & Sutcliffe LLP, New York, 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 co-counsel, Winston & Strawn LLP, New York, New York, and Law Offices of Joseph C. Reid, P.A., New York, New York (together, the "Underwriters' Counsel"), and for each School District by its respective bond counsel as listed in Appendix B hereto.

Bond Counsel to the Authority also serves as bond counsel to certain school districts as listed in "Appendix B – List of the 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 2012F Bonds from the Authority at an aggregate purchase price of \$195,944,511.34 (which represents the par amount of the Series 2012F Bonds, less the Underwriters' discount of \$951,734.96 plus net premium of \$25,486,246.30) and to make a public offering of the Series 2012F 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 2012G Bonds from the Authority at an aggregate purchase price of \$90,440,831.60 (which represents the par amount of the Series 2012G Bonds, less the Underwriters' discount of \$462,304.45 plus aggregate premium of \$11,533,136.05) and to make a public offering of the Series 2012G 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 2012H Bonds from the Authority at an aggregate purchase price of \$88,170,270.29 (which represents the par amount of the Series 2012H Bonds, less the Underwriters' discount of \$454,695.61 plus net premium of \$12,124,965.90) and to make a public offering of the Series 2012H 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 2012I Bonds from the Authority at an aggregate purchase price of \$14,370,561.62 (which represents the par amount of the Series 2012I Bonds, less the Underwriters' discount of \$61,163.28 plus aggregate premium of \$1,296,724.90) and to make a public offering of the Series 2012I 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 2012J Bonds from the Authority at an aggregate purchase price of \$25,229,839.33 (which represents the par amount of the Series 2012J Bonds, less the Underwriters' discount of \$127,487.77 plus aggregate premium of \$3,092,327.10) and to make a public offering of the Series 2012J 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 2012K Bonds from the Authority at an aggregate purchase price of \$6,849,777.63 (which represents the par amount of the Series 2012K Bonds, less the Underwriters' discount of \$31,124.92 plus aggregate premium of \$455,902.55) and to make a public offering of the Series 2012K Bonds at prices that are not in excess of the public offering prices stated on the inside

cover page of this Official Statement. The issuance and delivery of the Series 2012K Bonds are conditioned upon compliance by the City School District of the City of Niagara Falls with the Estoppel Procedure, as described above under “PART 4 – THE SCHOOL DISTRICTS – Summaries of Constitutional and Statutory Debt Provisions” herein.

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 | 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 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.

J.P. Morgan Securities LLC (“JPMS”), one of the Underwriters of the Series 2012 Bonds, has entered into negotiated dealer agreements (each, a “Dealer Agreement”) with each of UBS Financial Services Inc. (“UBSFS”) and Charles Schwab & Co., Inc. (“CS&Co.”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement (if applicable to this transaction), each of UBSFS and CS&Co. will purchase offered bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any offered bonds that such firm sells.

Wells Fargo Securities is the trade name for certain capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including WFBNA. WFBNA has entered into an agreement (the “Distribution Agreement”) with Wells Fargo Advisors, LLC (“WFA”) for the retail distribution of certain municipal securities offerings, including the Series 2012 Bonds. Pursuant to the Distribution Agreement, WFBNA will share a portion of its underwriting compensation with respect to the Series 2012 Bonds with WFA. WFBNA and WFA are both subsidiaries of Wells Fargo & Company.

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, other than the Belleville Henderson Central School District (“Belleville”), East Rockaway Union Free School District (“East Rockaway”), Lake Pleasant Central School District (“Lake Pleasant”) and Sweet Home Central School District (“Sweet Home”), 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.

In conjunction with the issuance of the Refunded Bonds by the Authority in 2002, Belleville agreed in its continuing disclosure agreement executed with respect to such bonds to make annual continuing disclosure filings in accordance with Rule 15c2-12. Belleville did not make any continuing disclosure filings from 2002 to 2011. However, as of September 17, 2012 Belleville has made all necessary filings on EMMA and is currently in compliance with the its existing continuing disclosure obligations. Belleville has entered into an agreement with a dissemination agent, Fiscal Advisors & Marketing, Inc. and such dissemination agent will make annual filings on behalf of Belleville with respect to all future continuing disclosure obligations of Belleville.

East Rockaway, Lake Pleasant and Sweet Home have had instances of failing to comply with their respective continuing disclosure agreements as a result of making certain late filings to the MSRB. In 2008, East Rockaway filed its audited financial statements for the year ended June 30, 2007 one month late and its annual update of financial information and operating data four months late. In 2011, Lake Pleasant filed its audited financial statements for the year ended June 30, 2007 three years late. In 2008, Sweet Home filed its audited financial statements for the year ended June 30, 2007 three months late. Each of East Rockaway, Lake Pleasant and

Sweet Home has certified to the Authority that it has otherwise in the previous five years complied, in all material respects, with any previous undertakings pursuant to Rule 15c2-12.

PART 16 – VERIFICATION OF MATHEMATICAL COMPUTATIONS

The accuracy of (i) the mathematical computations of the adequacy of the cash and the maturing principal of and interest earned on the government obligations to be held in escrow to pay maturing principal or redemption price of, and interest on, the Refunded Bonds and (ii) certain mathematical computations supporting the conclusion that the Series 2012 Bonds are not “arbitrage bonds” under the Code, will be verified by Causey Demgen & Moore P.C., Certified Public Accountants. See “PART 5 – THE REFUNDING PLAN.”

PART 17 – RATINGS

Standard & Poor’s Ratings Services, a division of The McGraw Hill Companies, Inc. (“Standard & Poor’s”) is expected to assign a rating of “AA-” (stable outlook) to the Insured Bonds, based on the understanding that the 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.

The Series 2012H Bonds have been rated “Aa3” and “A+” by Moody’s Investors Service Inc. (“Moody’s”) and Fitch Ratings (“Fitch”), respectively. Standard & Poor’s and Fitch have assigned the following ratings to the respective Series of the Series 2012 Bonds:

	Standard & Poor’s	Fitch
Series 2012F Bonds *	“A+”	“A+”
Series 2012G Bonds	“AA+”	“A+”
Series 2012I Bonds	“AA”	“A+”
Series 2012J Bonds	“AA-”	“A+”
Series 2012K Bonds *	“A+”	“A+”

*Uninsured.

Such ratings 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 18 – SOURCES OF INFORMATION AND CERTIFICATIONS

Certain information concerning each School District, DTC and the Insurer 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 7 – 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.

Insurer and the Policy. The information in "Part 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2012 BONDS – Bond Insurance" and "Appendix H – Specimen Municipal Bond Insurance Policy" was supplied by the Insurer. The Authority believes that this information is reliable, but the Authority makes no representations or warranties 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 Orrick, Herrington & Sutcliffe LLP, New York, 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, DTC or the Insurer, 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

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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 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.

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.

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.

Escrow Agreement means the Escrow Agreement, dated as of the date of issuance of the Authority Bonds, by and among the Authority, the School Districts and the Escrow Holder thereunder, in the form attached to the Financing Agreement, as such agreement may be amended from time to time in accordance with its terms.

Escrow Holder means the Trustee in its capacity as escrow holder under the Escrow Agreement.

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 of the Applicable School District described in Exhibit B of the Applicable Financing Agreement, which bonds have refinanced 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 September 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 each 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 Resolutions, authorizing the issuance of a Series of Bonds adopted by the Authority pursuant to the Master Resolution.

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

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

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

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

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

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

Series 2012F Resolution means the Series Resolution of the Authority authorizing the issuance of the Series 2012F Bonds adopted by the Authority on June 20, 2012.

Series 2012G Resolution means the Series Resolution of the Authority authorizing the issuance of the Series 2012G Bonds adopted by the Authority on June 20, 2012.

Series 2012H Resolution means the Series Resolution of the Authority authorizing the issuance of the Series 2012H Bonds adopted by the Authority on June 20, 2012.

Series 2012I Resolution means the Series Resolution of the Authority authorizing the issuance of the Series 2012I Bonds adopted by the Authority on June 20, 2012.

Series 2012J Resolution means the Series Resolution of the Authority authorizing the issuance of the Series 2012J Bonds adopted by the Authority on June 20, 2012.

Series 2012K Resolution means the Series Resolution of the Authority authorizing the issuance of the Series 2012K Bonds adopted by the Authority on June 20, 2012.

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 pursuant to Section 90.10(f) of the Local Finance Law, (iii) by the Comptroller of the State pursuant to Section 90.10(g) of the Local Finance Law and (iv) 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.

<u>School District</u>	<u>Financial Advisor</u>	<u>Bond Counsel</u>	<u>Principal Amount of Series 2012F Loan</u>	<u>Principal Amount of Series 2012G Loan</u>	<u>Principal Amount of Series 2012H Loan</u>	<u>Principal Amount of Series 2012I Loan</u>	<u>Principal Amount of Series 2012J Loan</u>	<u>Principal Amount of Series 2012K Loan</u>
Series 2012F:								
Allegany-Limestone Central School District	BPD	McGill	\$3,905,000					
Belleville Henderson Central School District	FA	Trespasz	570,000					
Canajoharie Central School District	FA	Lemery	6,795,000					
Carthage Central School District	FA	Orrick	12,560,000					
Catskill Central School District	FA	Hiscock	12,955,000					
Chautauqua Lake Central School District	CMA	Hodgson	10,320,000					
Chittenango Central School District	FA	Trespasz	7,930,000					
Clymer Central School District	MS	Hodgson	2,635,000					
Cobleskill-Richmondville Central School District	FA	Hodgson	9,075,000					
Corinth Central School District	FA	Hiscock	2,225,000					
Delhi Central School District	FA	Orrick	1,770,000					
Frankfort-Schuyler Central School District	FA	Orrick	6,675,000					
Fredonia Central School District	MS	Hodgson	1,815,000					
City School District of the City of Gloversville	FA	Hiscock	5,970,000					
Gowanda Central School District	MS	Hodgson	7,920,000					
City School District of the City of Jamestown	CMA	Orrick	1,955,000					
Lake Pleasant Central School District	FA	Hiscock	660,000					
Liberty Central School District	CMA	Orrick	1,870,000					
Maine-Endwell Central School District	FA	McGill	5,645,000					
Medina Central School District	FA	Harris	3,325,000					
Niagara Wheatfield Central School District	CMA	Hawkins	4,245,000					
North Warren Central School District	BPD	Hiscock	6,640,000					
City School District of the City of Norwich	BPD	McGill	5,215,000					

Appendix B

<u>School District</u>	<u>Financial Advisor</u>	<u>Bond Counsel</u>	<u>Principal Amount of Series 2012F Loan</u>	<u>Principal Amount of Series 2012G Loan</u>	<u>Principal Amount of Series 2012H Loan</u>	<u>Principal Amount of Series 2012I Loan</u>	<u>Principal Amount of Series 2012J Loan</u>	<u>Principal Amount of Series 2012K Loan</u>
Perry Central School District	BPD	McGill	\$6,720,000					
Pine Valley Central School District	MS	Hodgson	4,450,000					
Rotterdam-Mohonasen Central School District	FA	Orrick	6,525,000					
Sackets Harbor Central School District	FA	O'Hara	2,320,000					
South Glens Falls Central School District	FA	Orrick	12,675,000					
South Lewis Central School District	FA	Trespasz	1,285,000					
Union-Endicott Central School District	FA	Orrick	9,920,000					
Westmoreland Central School District	BPD	McGill	4,840,000					
Series 2012G:								
Eastport-South Manor Central School District	NYMAC	Hawkins		\$34,515,000				
Longwood Central School District	NYMAC	Hawkins		44,855,000				
Series 2012H:								
City School District of the City of Beacon	BPD	Orrick			\$18,640,000			
East Rockaway Union Free School District	CMA	Hawkins			615,000			
Frontier Central School District	MS	Hodgson			4,015,000			
Greece Central School District	MS	McGill			12,740,000			
City School District of the City of Port Jervis	BPD	Hiscock			2,920,000			
Southwestern Central School District	MS	Hodgson			14,455,000			
Sweet Home Central School District	MS	Hodgson			3,040,000			
City School District of the City of Watertown	FA	Trespasz			16,015,000			
West Genesee Central School District	FA	Trespasz			4,060,000			
Series 2012I:								
Burnt Hills-Ballston Lake Central School District	FA	Cahill				\$4,630,000		
Minisink Valley Central School District	Munistat	Fulbright				8,505,000		

Appendix B

<u>School District</u>	<u>Financial Advisor</u>	<u>Bond Counsel</u>	<u>Principal Amount of Series 2012F Loan</u>	<u>Principal Amount of Series 2012G Loan</u>	<u>Principal Amount of Series 2012H Loan</u>	<u>Principal Amount of Series 2012I Loan</u>	<u>Principal Amount of Series 2012J Loan</u>	<u>Principal Amount of Series 2012K Loan</u>
Series 2012J:								
Akron Central School District	MS	Hodgson					\$7,470,000	
Queensbury Union Free School District	FA	Bartlett					5,605,000	
Scotia-Glenville Central School District	FA	Lemery					9,190,000	
Series 2012K:								
City School District of the City of Niagara Falls	CMA	Orrick						\$6,425,000

Abbreviations for Financial Advisor and Bond Counsel

BPD	Bernard P. Donegan, Inc.
CMA	Capital Markets Advisors, LLC
FA	Fiscal Advisors & Marketing, Inc.
NYMAC	New York Municipal Advisors Corporation
Munistat	Munistat Services, Inc.
MS	Municipal Solutions, Inc.
Bartlett	Bartlett, Pontiff, Stewart & Rhodes, P.C.
Cahill	Cahill Gambino, LLP
Fulbright	Fulbright & Jaworski, LLP
Harris	Harris Beach PLLC
Hawkins	Hawkins Delafield & Wood LLP
Hiscock	Hiscock & Barclay LLP
Hodgson	Hodgson Russ, LLP
Lemery	Lemery Greisler LLC
McGill	Law Offices of Timothy R. McGill, Esq.
O'Hara	O'Hara, O'Connell & Ciotoli
Orrick	Orrick, Herrington & Sutcliffe 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
AKRON CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-1 a brief description of the Akron 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 a land area of approximately 75 square miles is located in the northeastern portion of Erie County, southeastern portion of Niagara County and the northwestern portion Genesee County, about 16 miles northeast of the City of Buffalo. The District is agricultural in nature, and includes the Village of Akron, which serves as the shopping and business center for the surrounding area.

Housing consists primarily of single family homes. Residents tend to find employment in the local industries, while some commute to the City of Buffalo and the Lockport area. Highway facilities include the New York State Thruway, U.S. Routes 5 and 93, and numerous county roads.

Population

The current estimated population of the District is 9,659 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Scrippit Division of Hondaille Industries	Industrial	430
Whiting Roll-Up Door Manufacturing	Manufacturing	400
Perry’s Ice Cream Company	Food Processing	310
Akron Rule Corporation	Manufacturing	155
Ford Gum & Machine Company	Manufacturing	94

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Niagara Mohawk Power Corporation (National Grid)	Utility	\$12,614,548
Tennessee Gas Pipeline	Utility	5,792,235
Golden Pond Estates	Mobile Home Park	5,589,200
Lakeshore Communities LLC	Mobile Home Park	5,119,380
ADESA New York, LLC	Wholesale Sales	4,940,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 10.15% 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 Erie, Genesee and Niagara Counties.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Erie County	4.8%	5.7%	8.2%	8.3%	7.9%
Genesee County	4.6	5.6	7.7	7.8	7.5
Niagara County	5.4	6.7	9.4	9.2	8.4
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	1,673	1,641	1,614	1,625	1,603	1,598	1,571

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
141	Akron Faculty Association	June 30, 2011 ⁽¹⁾
139	Akron Employees Association	June 30, 2012 ⁽¹⁾
7	Administrators	June 30, 2011 ⁽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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$567,045,986
Debt Limit (10% of Full Valuation)	56,704,599
Gross Indebtedness ⁽²⁾	\$34,041,169
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$34,041,169
Net Debt Contracting Margin	\$22,663,430
Percentage of Debt Contracting Power Exhausted	60.03%

- (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 \$7,470,000 School District Bonds to the Authority in connection with the refunding of \$8,387,000 of the District’s outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Erie	\$495,117,453	\$78,425,649	\$416,691,804	1.01%	\$4,208,587
Genesee	14,625,000	0	14,625,000	0.90	131,625
Niagara	57,128,058	40,780,943	16,347,115	0.79	129,142
Towns of:					
Newstead	12,196,164	9,404,264	2,791,900	87.91	2,454,359
Clarence	17,494,300	426,550	17,067,750	0.14	23,895
Alden	784,257	695,000	89,257	1.77	1,580
Royalton	6,035,500	4,685,500	1,350,000	19.76	266,760
Lockport	12,915,000	8,735,000	4,180,000	0.40	16,720
Alabama	0	0	0	10.00	0
Pembroke	2,710,200	2,710,200	0	6.50	0
Village of:					
Akron	4,318,304	4,318,304	0	100.00	0
				Total	<u>\$7,232,668</u>

(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 September 18, 2012.

Debt Ratios As of September 18, 2012⁽¹⁾

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$34,041,169	\$3,524.30	6.00%
Gross Indebtedness Plus Net Overlapping Indebtedness	41,273,837	4,273.10	7.28

(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 9,659.

(3) Based on the District's full value of taxable real estate using the State equalization rates for 2012-13 of \$567,045,986.

(4) The District expects to deliver \$7,470,000 School District Bonds to the Authority in connection with the refunding of \$8,387,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

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.

Akron Central School District
<http://emma.msrb.org/ER535949-ER414429-ER816234.pdf>
Base CUSIP: 010014

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 or thereafter are subject to a penalty fee. The penalty added to delinquent taxes is one-twelfth of the rate of interest determined by the State Commissioner of Taxation and Finance. The penalty rate is determined each year by July 15 based on the one-year constant maturity yield index for United States Treasury securities for the quarter-year ending on the immediately preceding June 30. The rate is effective for a twelve month period commencing August 1 each year, and in no event will be less than twelve per centum per annum. All taxes remaining unpaid after October 31 are turned over to the County for collection. The County reimburses the District in full before the end of the District's fiscal year.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Alabama	\$7,975,889	\$8,223,080	\$8,196,804	\$7,756,594	\$7,804,924
Alden	4,344,568	4,300,310	4,357,863	4,346,870	4,476,517
Clarence	4,384,690	4,513,552	4,483,183	4,225,847	4,252,065
Lockport	3,356,281	3,414,829	3,470,531	3,570,270	3,540,913
Newstead	422,227,117	423,392,830	426,322,934	430,569,850	457,887,636
Pembroke	13,960,664	14,085,588	14,262,569	14,931,608	14,928,315
Royalton	66,314,997	67,079,645	67,492,065	67,774,763	68,220,994
Total Assessed Valuation	<u>\$522,564,206</u>	<u>\$525,009,834</u>	<u>\$528,585,949</u>	<u>\$533,175,802</u>	<u>\$561,111,364</u>

	State Equalization Rates Years Ending June 30,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Alabama	100.00%	100.00%	99.00%	100.00%	97.00%
Alden	53.00	51.00	51.00	51.00	51.00
Clarence	100.00	100.00	100.00	100.00	100.00
Lockport	100.00	100.00	100.00	100.00	100.00
Newstead	100.00	100.00	99.00	96.00	100.00
Pembroke	100.00	100.00	100.00	100.00	100.00
Royalton	100.00	100.00	100.00	97.00	98.00
Taxable Full Valuation	\$526,416,936	\$529,141,504	\$537,162,004	\$557,388,744	\$567,045,986

	Total District Property Tax Collections Years Ending June 30,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$7,861,468	\$8,073,728	\$8,392,640	\$8,724,149	\$8,987,410
% Uncollected When Due ⁽¹⁾	2.97%	3.15%	2.73%	3.07%	N/A

⁽¹⁾ The Counties reimburse the District for any unpaid taxes, resulting in 0% uncollected each year. 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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$14,232,792	\$24,860,262	57.25%
2009-2010	13,467,890	25,404,015	53.01
2010-2011	13,776,832	26,199,937	52.58
2011-2012 (Unaudited)	13,435,098	25,382,458	52.93
2012-2013 (Budgeted)	13,536,628	28,313,413	47.81

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$250,890	\$727,592
2009-2010	201,671	615,615
2010-2011	298,421	830,641
2011-2012 (Unaudited)	487,230	974,126
2012-2013 (Budgeted)	498,238	1,221,497

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

GASB 45 and OPEB

The District contracted with EBS-RMSCO, Inc. to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$1,724,844. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,724,844. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$329,721. The District's annual OPEB expense was \$153,065 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$95,912 to the Plan for the fiscal year ending June 30, 2012 to 203 participants, resulting in a net increase to its unfunded OPEB obligation of \$43,065, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$372,786. 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 unaudited information from the District.

Recent Operating Results

The District’s expenditures exceeded its revenues by \$314,235 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$1,131,512 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.*”

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$4,712,939	\$1,196,733	\$1,030,750	\$4,546,957
2013-2014	4,667,784	1,197,703	1,027,500	4,497,582
2014-2015	3,838,388	1,197,363	1,028,900	3,669,926
2015-2016	3,592,108	1,196,658	1,029,100	3,424,551
2016-2017	3,578,128	1,197,478	1,030,350	3,411,001
2017-2018	3,561,203	1,197,603	1,029,600	3,393,201
2018-2019	3,536,713	1,197,363	1,031,850	3,371,201
2019-2020	3,525,545	1,197,445	1,031,850	3,359,950
2020-2021	3,500,943	1,196,693	1,029,600	3,333,851
2021-2022	1,948,200	-	-	1,948,200
2022-2023	1,946,600	-	-	1,946,600
2023-2024	1,952,400	-	-	1,952,400
2024-2025	1,955,200	-	-	1,955,200

**APPENDIX C-2
DESCRIPTION OF
ALLEGANY-LIMESTONE CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-2 a brief description of the Allegany-Limestone 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 has an area of approximately 121 square miles in the Towns of Allegany, Carrollton, Hinsdale, Humphrey and Olean in Cattaraugus County. The Village of Allegany is located within the District.

Population

The current estimated population of the District is 9,465 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
St. Bonaventure University	Higher Education	520
Wal-Mart	Retail	300
Allegany-Limestone Central School District	Public Education	227
The Rehabilitation Center	Education	166
Home Depot USA	Retail	102

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
BG Olean, LLC	Commercial	\$19,188,967
National Grid	Utility	10,353,262
Home Depot USA	Retail	7,199,800
East Resources, Inc.	Commercial	6,281,182
New York State Electric & Gas Corp.	Utility	5,085,254

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 15.65% 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.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Cattaraugus County	5.2%	6.1%	8.7%	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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	1,342	1,323	1,289	1,274	1,259	1,201	1,170

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
111	Allegany-Limestone Teachers’ Association	June 30, 2014
95	Allegany-Limestone Education Support Personnel Association	June 30, 2012 ⁽¹⁾
4	Allegany-Limestone Administrators’ Association	June 30, 2014

⁽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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$413,346,465
Debt Limit (10% of Full Valuation)	41,334,646
Gross Indebtedness ⁽²⁾	\$24,409,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$24,409,000
Net Debt Contracting Margin	\$16,925,646
Percentage of Debt Contracting Power Exhausted	59.05%

⁽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 \$3,905,000 School District Bonds to the Authority in connection with the refunding of \$4,479,000 of the District’s outstanding school district serial bonds, Series 2002, which 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 District	Applicable Net Indebtedness
County of:					
Cattaraugus	\$45,138,065	\$8,064	\$45,130,001	10.67%	\$4,815,371
Towns of:					
Allegany	1,031,550	182,500	849,050	100.00	849,050
Carrollton	0	0	0	85.23	0
Hinsdale	561,085	350,085	211,000	1.20	2,532
Humphrey	165,000	0	165,000	15.92	26,268
Olean	546,906	0	546,906	1.31	7,164
Village of:					
Allegany	126,801	0	126,801	100.00	<u>126,801</u>
				Total	<u><u>\$5,827,186</u></u>

- (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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	Amount	Per Capita⁽²⁾	Percentage of Full Value⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$24,409,000	\$2,578.87	5.91%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	30,236,187	3,194.53	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 9,465.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$413,346,465.
- (4) The District expects to deliver \$3,905,000 School District Bonds to the Authority in connection with the refunding of \$4,479,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

On May 15, 2012, District voters approved a \$307,000 authorization to purchase school buses. While this authorization has been formally obtained, the District does not have definite borrowing plans to finance this capital project as of the date of this document.

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.

Allegany-Limestone Central School District
<http://emma.msrb.org/EP480716-EP374868-EP771791.pdf>
 Base CUSIP: 017118

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 1. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2 to November 1. On or about November 15, uncollected taxes are returnable to the County Treasurer for collection until November 30, and are subsequently relieved on County/Tax rolls. The District is reimbursed by the County for all unpaid taxes during the first week of April of each year, and is thus assured a 100% tax levy annually.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Allegany	\$324,255,932	\$332,517,237	\$332,586,175	\$330,176,564	\$335,099,796
Carrollton	55,634,972	66,606,435 ⁽¹⁾	66,708,038	65,849,431	67,311,276
Hinsdale	861,700	861,700	861,700	859,900	859,900
Humphrey	3,971,689	3,814,651	8,808,938 ⁽¹⁾	8,650,603	8,674,496
Olean	<u>932,818</u>	<u>929,869</u>	<u>933,047</u>	<u>931,044</u>	<u>1,092,778</u>
Total Assessed Valuation	<u>\$385,657,111</u>	<u>\$404,729,892</u>	<u>\$409,897,898</u>	<u>\$406,467,542</u>	<u>\$413,038,246</u>

⁽¹⁾ Significant change due to townwide revaluation.

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Allegany	100.00%	100.00%	100.00%	100.00%	100.00%
Carrollton	83.00	100.00 ⁽¹⁾	100.00	100.00	100.00
Hinsdale	100.00	100.00	100.00	100.00	100.00
Humphrey	47.00	47.00	100.00 ⁽¹⁾	100.00	100.00
Olean	80.00	80.00	78.00	78.00	78.00
Taxable Full Valuation	\$401,764,142	\$409,263,986	\$410,161,065	\$406,730,144	\$413,346,465

⁽¹⁾ Significant change due to townwide revaluation.

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$6,579,062	\$6,801,671	\$7,307,606	\$7,475,556	\$7,630,319
% Uncollected When Due ⁽¹⁾	13.84%	6.95%	13.08%	16.51%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$13,866,115	\$20,978,780	66.10%
2009-2010	13,339,505	21,485,076	62.09
2010-2011	12,361,723	20,853,044	59.28
2011-2012 (Unaudited)	12,066,204	20,335,680	59.34
2012-2013 (Budgeted)	12,452,676	21,341,460	58.35

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$140,169	\$721,310
2009-2010	132,237	652,666
2010-2011	229,533	547,717
2011-2012 (Unaudited)	331,000	787,590
2012-2013 (Budgeted)	361,203	879,640

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 \$2,744,765. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,744,765. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was \$49,193. The District's annual OPEB expense was \$286,874 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$161,142 to the Plan for the fiscal year ending June 30, 2011, resulting in a net increase to its unfunded OPEB obligation of \$125,732, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of \$174,925. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$771,280 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$2,220,156 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$2,789,892	\$436,105	\$374,097	\$2,727,884
2013-2014	2,758,287	436,995	373,350	2,694,642
2014-2015	2,762,109	435,225	375,750	2,702,634
2015-2016	2,763,782	435,905	370,750	2,698,627
2016-2017	2,768,405	436,870	375,500	2,707,035
2017-2018	2,768,265	436,065	379,500	2,711,700
2018-2019	2,759,307	436,205	372,750	2,695,852
2019-2020	2,762,817	435,610	375,750	2,702,957
2020-2021	1,194,551	436,280	378,000	1,136,271
2021-2022	1,194,411	436,110	374,500	1,132,801
2022-2023	1,197,208	435,100	370,500	1,132,608
2023-2024	1,200,714	436,250	371,000	1,135,464
2024-2025	1,192,108	436,300	370,750	1,126,558
2025-2026	816,733	435,450	374,750	756,033
2026-2027	815,313	434,700	372,750	753,363
2027-2028	379,230	-	-	379,230
2028-2029	382,410	-	-	382,410
2029-2030	384,615	-	-	384,615
2030-2031	381,150	-	-	381,150
2031-2032	382,113	-	-	382,113
2032-2033	382,400	-	-	382,400
2033-2034	382,000	-	-	382,000
2034-2035	50,925	-	-	50,925
2035-2036	54,025	-	-	54,025
2036-2037	51,888	-	-	51,888
2037-2038	54,750	-	-	54,750
2038-2039	52,375	-	-	52,375

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**APPENDIX C-3
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF BEACON**

There follows in this Appendix C-3 a brief description of the City School District of the City of Beacon (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, located about 60 miles north of New York City on the east bank of the Hudson River, in the southwest corner of Dutchess County, has an area of approximately 21 square miles. It includes most of the City of Beacon, about 28% of the Town of Fishkill and a small portion of the Town of Wappinger.

Population

The current estimated population of the District is 27,302 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Beacon City School District	Public Education	637
Chemprene, Inc.	Rubber Coating	175
City of Beacon	Municipality	125
Dia Beacon	Museum	100
Verizon New York Inc.	Telecommunications	50

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
AIMCO Chelsea Ridge	Apartments	\$60,000,000
Central Hudson Gas & Electric Corporation	Utility	41,607,754
Fairfield Riverwalk LLC	Apartments	36,000,000
Hudson View Park LLC	Apartments	34,700,000
Rivercrest Development LLC	Apartments	31,000,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 13.29% 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 Dutchess County.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Dutchess County	4.0%	5.1%	7.8%	7.8%	7.4%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	3,525	3,530	3,443	3,433	3,550	3,550	3,550

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
278	Beacon Teachers’ Association	June 30, 2014
200	Beacon Union Federation of Workers	June 30, 2012 ⁽¹⁾
48	Beacon Paraprofessionals Association	June 30, 2011 ⁽¹⁾
36	Beacon Food Service Association	June 30, 2011 ⁽¹⁾
26	Beacon Association of Office Personnel	June 30, 2012 ⁽¹⁾
15	Beacon Educational 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 September 18, 2012 ⁽¹⁾**

	Based on Conventional Equalization Rates	Based On Special Equalization Ratios
Five Year Average Full Valuation of Taxable Real Property.....	\$2,203,412,605	\$2,053,692,932
Debt Limit (5% of full valuation) ⁽²⁾	110,170,630	102,684,647
Outstanding Indebtedness ⁽³⁾		
<u>Inclusions</u>		
Bonds.....	\$50,385,000	\$50,385,000
Bond Anticipation Notes.....	2,100,000	2,100,000
Total Inclusions.....	<u>\$52,485,000</u>	<u>\$52,485,000</u>
<u>Exclusions</u>		
Bonds Previously Refunded.....	\$0	\$0
Appropriations.....	1,890,000	1,890,000
Total Exclusions.....	<u>\$1,890,000</u>	<u>\$1,890,000</u>
Total Net Indebtedness.....	\$50,595,000	\$50,595,000
Net Debt Contracting Margin.....	\$59,575,630	\$52,089,647
Percentage of Debt Contracting Power Exhausted.....	45.92%	49.27%

- (1) The District has not incurred any indebtedness since the date of this table. The District expects to deliver \$18,640,000 School District Bonds to the Authority in connection with the refunding of \$21,525,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the percentage of debt contracting power exhausted accordingly.
- (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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of: Dutchess	\$110,774,067	\$0	\$110,774,067	6.18%	\$6,845,837
Towns of: Fishkill	29,069,579	14,866,468	14,203,111	29.79	4,231,107
Wappinger	27,112,375	624,107	26,488,268	5.79	1,533,671
City of: Beacon	31,893,000	5,795,178	26,097,822	94.29	24,607,636
				Total	<u>\$37,218,251</u>

- (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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$52,485,000	\$1,922.39	2.58%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	89,703,251	3,285.59	4.40

- (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 27,302.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$2,037,610,632.
- (4) The District expects to deliver \$18,640,000 School District Bonds to the Authority in connection with the refunding of \$21,525,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

On December 16, 2008, District voters approved a \$12,000,000 capital project consisting of additions to and reconstructions of school buildings and facilities. Plans and specifications received approval from the State Education Department on December 3, 2009. The project is broken down into four phases (Phase I, II, IIA and III). Construction bids were received, and contracts were awarded on February 22, 2010, February 14, 2011 and July 17, 2011 for Phases I, II, IIA and III, respectively. Construction for Phase III will not be bid on until fall of 2012. Construction for Phase I started in June 2010 and was completed by August 2011. Construction for Phases II and IIA is essentially complete. Construction for Phase III is anticipated to begin during the summer of 2013.

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 Beacon
<http://emma.msrb.org/ER549539-ER426157-ER828338.pdf>
Base CUSIP: 073671

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 are due within the first 60 days of the tax collection period. If paid between September 19 to October 18, no penalty is imposed. There is a 2% penalty if paid by November 17. After November 17, a list of all unpaid taxes is given to the County for relevy on County/Town tax rolls. Thereafter the delinquent taxes as to property within the City of Beacon are collected by the City of Beacon which has two years to reimburse the District in full on any delinquent taxes remaining. Delinquent taxes as to property outside the City of Beacon are turned over to the County, which reimburses the District in full by the end of the District's fiscal year.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of:					
Beacon	\$1,312,755,477	\$1,203,104,598	\$1,139,072,015	\$1,063,114,282	\$1,063,114,282
Towns of:					
Fishkill	951,386,117	896,175,328	854,671,939	806,746,819	806,746,819
Wappinger	215,098,719	192,157,384	177,420,176	167,749,531	167,749,531
Total Assessed Valuation	<u>\$2,479,240,313</u>	<u>\$2,291,437,310</u>	<u>\$2,171,164,130</u>	<u>\$2,037,610,632</u>	<u>\$2,037,610,632</u>

	State Equalization Rates Years Ending June 30,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of:					
Beacon	100.00%	100.00%	100.00%	100.00%	100.00%
Towns of:					
Fishkill	100.00	100.00	100.00	100.00	100.00
Wappinger	100.00	100.00	100.00	100.00	100.00
Taxable Full Valuation	\$2,479,240,313	\$2,291,437,310	\$2,171,164,130	\$2,037,610,632	\$2,037,610,632

	Special State Equalization Ratios⁽¹⁾ Years Ending June 30,					
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of:						
Beacon	117.22%	118.28%	112.29%	108.36%	107.72%	N/A
Towns of:						
Fishkill	112.20	112.75	112.37	108.27	105.59	N/A
Wappinger	111.59	112.13	111.76	106.49	102.71	N/A
Taxable Full Valuation	\$2,160,603,195	\$2,145,502,251	\$2,040,885,708	\$2,007,189,127	\$1,914,284,381	N/A

⁽¹⁾ The special State equalization ratios relating to the assessed valuations of taxable real property for the year ended June 30, 2013 are not available as of the date of this Official Statement. Therefore, the special State equalization ratios relating to the taxable assessed valuations of taxable real property are provided for the years ended June 30, 2008 through 2012.

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$28,090,085	\$28,833,797	\$30,732,919	\$32,135,880	\$33,199,294
% Uncollected When Due ⁽¹⁾	5.89%	5.44%	6.69%	5.91%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$25,264,894	\$54,765,798	46.13%
2009-2010	23,591,849	55,382,161	42.60
2010-2011	22,539,058	56,567,726	39.84
2011-2012 (Unaudited)	22,858,142	56,200,000	40.67
2012-2013 (Budgeted)	23,247,706	57,639,000	40.33

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$318,564	\$1,559,841
2009-2010	380,370	1,342,348
2010-2011	586,392	1,902,482
2011-2012 (Unaudited)	798,000	2,400,000
2012-2013 (Budgeted)	930,771	2,687,151

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

GASB 45 and OPEB

The District contracted with Aquarius Capital to calculate its “other post-employment benefits” (“OPEB”) plan (the “Plan”) in accordance with GASB 45. As of July 1, 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 \$50,269,183. The actuarial value of the Plan’s assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$50,269,183. For the fiscal year ending June 30, 2012, the District’s beginning year Net OPEB obligation was \$4,013,315. The District’s annual OPEB expense was \$3,405,445 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$2,010,616 to the Plan for the fiscal year ending June 30, 2012, resulting in a net increase to its unfunded OPEB obligation of \$1,394,829. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District’s June 30, 2012 financial statements. See also “PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*.”

Note: This information has been developed pursuant to unaudited information from the District.

Recent Operating Results

The District’s unaudited revenues exceeded its expenditures by approximately \$1,000,000 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of approximately \$2,200,000 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*.”

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$5,922,442	\$887,763	\$566,451	\$5,601,131
2013-2014	5,077,688	2,232,500	1,841,750	4,686,938
2014-2015	5,075,688	2,238,800	1,849,000	4,685,888
2015-2016	4,807,031	1,955,550	1,566,000	4,417,481
2016-2017	4,114,644	1,956,113	1,567,000	3,725,532
2017-2018	4,114,744	1,953,100	1,561,125	3,722,769
2018-2019	4,112,206	1,953,800	1,563,250	3,721,656
2019-2020	4,115,825	1,953,200	1,563,125	3,725,750
2020-2021	4,118,994	1,953,850	1,560,750	3,725,894
2021-2022	4,126,425	1,955,450	1,565,875	3,736,850
2022-2023	4,126,100	1,952,850	1,563,375	3,736,625
2023-2024	4,133,550	1,955,750	1,563,250	3,741,050
2024-2025	3,540,269	1,953,850	1,560,375	3,146,794
2025-2026	3,447,550	1,956,850	1,564,500	3,055,200
2026-2027	3,019,269	1,954,450	1,565,375	2,630,194
2027-2028	2,958,134	1,956,350	1,563,000	2,564,784
2028-2029	2,956,616	1,952,250	1,562,250	2,566,616
2029-2030	2,607,397	1,951,850	1,558,000	2,213,547
2030-2031	657,469	-	-	657,469
2031-2032	658,297	-	-	658,297
2032-2033	658,031	-	-	658,031
2033-2034	656,672	-	-	656,672
2034-2035	659,109	-	-	659,109

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**APPENDIX C-4
DESCRIPTION OF
BELLEVILLE HENDERSON CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-4 a brief description of the Belleville Henderson 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 Jefferson County. The District is approximately 15 miles south of the City of Watertown and approximately 50 miles north of the City of Syracuse. With a land area of approximately 105 square miles, it is primarily residential and agricultural in nature, with its principal industry being dairy farming. Because of the District’s location along the eastern shores of Lake Ontario, outdoor recreation is considered a strong secondary industry. The region abounds with summer and winter recreational activities, including camping, boating, hiking, golf, skiing and snowmobiling. Major highways servicing the District include U.S. Expressway #81, U.S. Route #11 and State Highways #3 and #178. Air transportation is available to residents through the Watertown International Airport and the Syracuse Hancock International Airport.

The presence of U.S. Army’s Fort Drum has recently provided economic stimulus through housing development, construction and expansion.

Population

The current estimated population of the District is 3,247 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Belleville Henderson Central School	Educational	148
Town of Ellisburg	Municipality	39
Ryan’s Lookout	Restaurant	28
Town of Henderson	Municipality	25
Hi Hope Farm LLC	Farm	25

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Grid	Utility	\$10,810,423
LJS Properties, LLC	Resort	4,590,000
Eastman, John	Farm	4,154,900
Butterville Properties LLC	Farm	3,658,600
Bisbort, Curtis	Farm	2,243,700

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 7.06% 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				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Jefferson County	5.6%	6.8%	8.9%	9.5%	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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>Projected 2013-14</u>
K-12	549	544	516	513	500	484	488

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
49	Belleville Henderson Teachers’ Association	June 30, 2014
29	Belleville Henderson Central School Support Association	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$503,130,526
Debt Limit (10% of Full Valuation)	50,313,053
Gross Indebtedness ⁽²⁾	\$8,401,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$8,401,000
Net Debt Contracting Margin	\$41,912,053
Percentage of Debt Contracting Power Exhausted	16.70%

- (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 \$570,000 School District Bonds to the Authority in connection with the refunding of \$581,000 of the District’s outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Jefferson	\$17,845,000	\$0	\$17,845,000	6.73%	\$1,200,969
Towns of:					
Adams	1,702,400	500,200	1,202,200	2.78	33,421
Ellisburg	2,867,316	2,867,316	0	68.78	0
Henderson	2,688,828	2,688,828	0	97.53	0
Village of:					
Ellisburg	3,451,000	3,451,000	0	100.00	0
				Total	\$1,234,390

- (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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$8,401,000	\$2,587.31	1.67%
Gross Indebtedness Plus Net Overlapping Indebtedness	9,635,390	2,967.47	1.92

- (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 3,247.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$503,130,526.
- (4) The District expects to deliver \$570,000 School District Bonds to the Authority in connection with the refunding of \$581,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

On March 23, 2009 the District authorized the issuance of \$7,980,000 serial bonds to pay for the construction of an approximately 8,300 square foot classroom addition to the District’s Pre-K-12 School Building, playgrounds and athletic fields. The District plans on using \$431,912 New York State Expanding our Children’s Education and Learning (“EXCEL”) aid, \$185,000 of capital reserve and a combination of serial bonds and bond anticipation notes to finance the project.

The District issued \$2,300,000 bond anticipation notes on July 30, 2009 as the first borrowing against said authorization. On July 28, 2011, the District renewed \$2,880,000 bond anticipation notes and issued \$3,110,000 additional funds as new money. On July 26, 2012, the District renewed \$6,000,000 bond anticipation notes and issued \$1,870,000 new monies for the project. Pending market conditions, the District expects to permanently finance the project through the Dormitory Authority of the State of New York in June 2013.

The District has no additional capital project plans 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 (EMMA) system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Belleville Henderson Central School District
<http://emma.msrb.org/IssuerView/IssuerDetails.aspx?cusip=079084>
 Base CUSIP: 079084

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.

In conjunction with the issuance of the Refunded Bonds (as defined in the Official Statement) in 2002, the District agreed in its continuing disclosure agreement executed with respect to such bonds to make annual continuing disclosure filings in accordance with Rule 15c2-12. The District did not make any continuing disclosure filings from 2002 to 2011. However, as of September 17, 2012, The District has made all necessary filings on EMMA and is currently in compliance with its existing continuing disclosure obligations. The District has entered into an agreement with a dissemination agent, Fiscal Advisors & Marketing, Inc. and such dissemination agent will make annual filings on behalf of the District with respect to all future continuing disclosure obligations of the District.

Real Estate Property Tax Collection Procedure

Taxes are due September 1. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2 to November 1. On or about November 15, 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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Adams	\$4,750,652	\$4,429,978	\$4,524,493	\$7,420,971 ⁽¹⁾	\$7,463,950
Ellisburg	157,045,259	163,008,509	164,211,871	166,706,858	180,231,131 ⁽¹⁾
Henderson	<u>182,364,576</u>	<u>319,307,968 ⁽¹⁾</u>	<u>316,260,554</u>	<u>314,486,995</u>	<u>315,435,445</u>
Total Assessed Valuation	<u>\$344,160,757</u>	<u>\$487,046,455</u>	<u>\$484,996,918</u>	<u>\$488,614,824</u>	<u>\$503,130,526</u>

⁽¹⁾ Significant change due to revaluation.

State Equalization Rates Years Ending June 30,

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Adams	64.00%	60.00%	61.00%	100.00% ⁽¹⁾	100.00%
Ellisburg	100.00	100.00	100.00	100.00	100.00
Henderson	59.00	100.00 ⁽¹⁾	100.00	98.00	100.00
Taxable Full Valuation	\$473,563,467	\$490,199,774	\$488,683,272	\$497,175,120	\$503,130,526

⁽¹⁾ Significant change due to revaluation.

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$3,653,905	\$3,653,905	\$3,781,774	\$3,853,628	\$3,930,316
% Uncollected When Due ⁽¹⁾	7.2%	6.2%	6.8%	5.9%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$4,412,421	\$8,489,903	51.97%
2009-2010	4,160,555	8,432,519	49.34
2010-2011	3,544,210	7,804,116	45.41
2011-2012 (Unaudited)	3,614,951	7,718,417	46.84
2012-2013 (Budgeted)	4,015,542	8,139,858	49.33

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$47,772	\$204,455
2009-2010	60,049	163,171
2010-2011	79,208	247,593
2011-2012 (Unaudited)	110,237	264,278
2012-2013 (Budgeted)	141,882	329,112

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

GASB 45 and OPEB

The District contracted with Harbridge Consulting Group LLC to calculate its “other post-employment benefits” (“OPEB”) plan (the “Plan”) in accordance with GASB 45. As of July 1, 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 \$14,172,714. The actuarial value of the Plan’s assets was \$6,743,571, resulting in an unfunded actuarial accrued liability (UAAL) of \$20,916,285. The District’s annual OPEB expense was \$1,271,432 and the adjusted annual required contribution (ARC) is \$1,299,929. The District is on a pay-as-you-go funding basis and paid \$454,848 to the Plan for the fiscal year ending June 30, 2012 to its employees, resulting in a net increase to its unfunded OPEB obligation, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$2,393,848. 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 unaudited information from the District.

Recent Operating Results

The District’s revenues exceeded its expenditures by approximately \$500,000 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$869,334 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.*”

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$135,955	\$135,955	\$128,262	\$128,262
2013-2014	136,235	136,235	132,150	132,150
2014-2015	136,185	136,185	127,750	127,750
2015-2016	135,805	135,805	132,250	132,250
2016-2017	136,095	136,095	131,250	131,250

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**APPENDIX C-5
DESCRIPTION OF
BURNT HILLS-BALLSTON LAKE CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-5 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 (the “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. A new Target department store is expected to open nearby the District within the next two to three 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. 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. In July 2012 the company announced a \$2.3 billion expansion of its facility, which would result in 200 to 300 additional employees. Such expansion is expected to be completed in December 2013. The expansion of Global Foundries has started to create an increase in housing demand within the District as more families move to the area for employment. Local businesses are also 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

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Burnt Hills-Ballston Lake Central School District	Public Education	579
Price Chopper	Supermarket	285
Hannaford	Supermarket	124
Morris Ford	Automobile Dealership	65
Town of Ballston	Municipality	57

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
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 area for which such statistics are available (which includes the District) are Saratoga and Schenectady Counties.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	3,431	3,444	3,403	3,399	3,251	3,490	3,490

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
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, 2015
11	Non-Contractual Employees'	June 30, 2013
3	Operations Managers' Association	June 30, 2014
3	Individual Contracts	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$1,750,153,133
Debt Limit (10% of Full Valuation)	175,015,313
Gross Indebtedness ⁽²⁾	\$35,671,444
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$35,671,444
Net Debt Contracting Margin	\$139,343,869
Percentage of Debt Contracting Power Exhausted	20.38%

- (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 \$4,630,000 School District Bonds to the Authority in connection with the refunding of \$4,973,000 of the District’s outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness</u> ⁽¹⁾	<u>Exclusions</u> ⁽²⁾	<u>Net Indebtedness</u>	<u>% Within School District</u>	<u>Net Indebtedness</u>
County of:					
Saratoga	\$69,125,000	\$0	\$69,125,000	5.30%	\$ 3,663,625
Schenectady	55,402,887	0	55,402,887	6.85	3,795,098
Towns of:					
Ballston	4,229,550	4,229,550	0	71.66	0
Charlton	1,668,150	108,150	1,560,000	79.59	1,241,604
Clifton Park	11,555,316	1,740,060	9,815,256	2.72	266,975
Glenville	20,407,195	10,723,115	9,684,080	29.89	2,894,572
				Total	<u>\$11,861,874</u>

- (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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita</u> ⁽²⁾	<u>Percentage of Full Value</u> ⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$35,671,444	\$1,895.90	2.04%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	47,533,318	2,526.35	2.72

- (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 2012-2013 of \$1,750,153,133.
- (4) The District expects to deliver \$4,630,000 School District Bonds to the Authority in connection with the refunding of \$4,973,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The 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. 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 system of the Municipal Securities Rulemaking Board 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 1. 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 1. On or about November 15, 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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Ballston	\$604,540,869	\$612,431,412	\$618,962,389	\$622,422,397	\$625,193,251
Charlton	237,843,602	239,187,179	242,346,895	243,721,515	246,100,671
Clifton Park	63,589,911	62,562,939	62,706,798	62,642,371	62,834,554
Glenville	<u>608,301,343</u>	<u>607,913,225</u>	<u>612,079,803</u>	<u>611,209,839</u>	<u>611,847,892</u>
Total Assessed Valuation	<u>\$1,514,275,725</u>	<u>\$1,522,094,755</u>	<u>\$1,536,095,885</u>	<u>\$1,539,996,122</u>	<u>\$1,545,976,368</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Ballston	87.00%	88.00%	92.00%	96.00%	100.00%
Charlton	68.00	67.00	70.00	70.00	70.00
Clifton Park	54.00	58.00	58.00	58.00	58.00
Glenville	85.00	85.00	91.00	91.00	92.00
Taxable Full Valuation	\$1,878,052,298	\$1,875,999,742	\$1,799,725,393	\$1,776,193,508	\$1,750,153,133

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$31,556,379	\$32,306,060	\$33,286,135	\$34,281,301	\$35,085,477
% Uncollected When Due ⁽¹⁾	4.20%	4.20%	4.14%	4.08%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$20,027,377	\$53,489,929	37.44%
2009-2010	16,978,258	52,894,626	32.10
2010-2011	17,219,376	52,184,233	33.00
2011-2012 (Unaudited)	16,961,541	54,769,942	30.97
2012-2013 (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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$458,408	\$1,685,709
2009-2010	407,766	1,690,697
2010-2011	563,424	1,395,347
2011-2012 (Unaudited)	841,709	2,084,561
2012-2013 (Budgeted)	1,130,397	2,579,996

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, 2012, 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 \$41,341,310. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$41,341,310. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$5,872,798. The District's annual OPEB expense was \$2,784,310 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$1,499,275 to the Plan for the fiscal year ending June 30, 2012 to 927 employees, resulting in a net increase to its unfunded OPEB obligation of \$1,358,712, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$7,231,510. 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$389,582 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$2,274,952 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$4,800,087	\$141,191	\$74,955	\$4,733,851
2013-2014	4,768,523	976,825	871,700	4,663,398
2014-2015	4,630,315	976,505	870,300	4,524,110
2015-2016	4,582,076	976,684	870,900	4,476,292
2016-2017	4,534,949	976,218	871,275	4,430,006
2017-2018	4,504,031	975,963	866,150	4,394,218
2018-2019	4,468,777	976,558	867,825	4,360,044
2019-2020	3,431,719	-	-	3,431,719
2020-2021	2,817,388	-	-	2,817,388
2021-2022	2,808,313	-	-	2,808,313
2022-2023	1,370,100	-	-	1,370,100
2023-2024	1,381,100	-	-	1,381,100
2024-2025	1,049,000	-	-	1,049,000

**APPENDIX C-6
DESCRIPTION OF
CANAJOHARIE CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-6 a brief description of the Canajoharie 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 situated in upstate New York in the central portion of Montgomery County, about 40 miles west of the City of Albany. The District encompasses approximately 30 square miles, and is located primarily within the Village of Canajoharie. Additionally, the District encompasses various portions of the Towns of Canajoharie, Carlisle, Charleston, Minden, Mohawk, Palatine, Root and Sharon.

Passenger rail service by Amtrak is available in the nearby Cities of Amsterdam and Albany. The Barge Canal located within the District provides direct water transportation to the Port of New York and the Great Lakes at Buffalo.

Bus transportation is provided by Greyhound and Trailways Bus Lines and air transportation is available at Albany and Fulton County Airports. The New York State Thruway has an interchange, Exit 29, within the District. Other major highways include New York State Routes #5 and #5S.

Electricity and natural gas are supplied throughout the District by the Niagara Mohawk Power Corporation. The Village of Canajoharie and towns of the District maintain water supply and distribution systems, entirely supported from user charges, and they provide sanitary sewage collection and treatment facilities. These services are supported from user charges and special benefit assessments.

Police protection is provided by the New York State police, the Canajoharie Police Department and the County Sheriff's Office. Fire protection service is provided by the Canajoharie Fire Department and by other local volunteer units. Ambulance service is provided by Mid-County Ambulance, a public service, and by private companies.

Population

The current estimated population of the District is 6,324 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
St. Mary's Hospital	Hospital	825
Amsterdam Memorial Hospital	Hospital	679
Kasson & Keller/Keymark Corporation	Aluminum Extrusions	600
Amsterdam Printing & Litho (Holland USA, Inc.)	Printing, Office Supplies Manufacturing	539
Liberty Enterprises	Food Processing, Cleaning Agents	460

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Iroquois Gas Trans System	Utility	\$15,454,208
Beechnut Nutrition Corporation	Manufacturing	5,750,000
Palatine Holding LLC	Shopping Center	3,000,000
Mont County Industrial	Bank Complex	2,146,436
Niagara Mohawk Power Corporation (National Grid)	Utility	1,989,081

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 14.74% 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 Montgomery County.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Montgomery County	6.0%	7.1%	9.6%	10.0%	9.8%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	1,148	1,330	1,100	1,056	1,082	1,082	1,082

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
96	Canajoharie United School Employees (C.U.S.E.) – Instructional Staff	June 30, 2015
64	C.U.S.E. – Support Staff	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$335,858,717
Debt Limit (10% of Full Valuation)	33,585,872
Gross Indebtedness ⁽²⁾	\$19,426,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	<u>\$19,426,000</u>
Net Debt Contracting Margin	\$14,159,872
Percentage of Debt Contracting Power Exhausted	57.84%

- (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 \$6,795,000 School District Bonds to the Authority in connection with the refunding of \$7,826,000 of the District’s outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness</u> ⁽¹⁾	<u>Exclusions</u> ⁽²⁾	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Montgomery	\$33,881,000	\$0	\$33,881,000	10.76%	\$3,645,595
Schoharie	9,995,000	9,995,000	0	0.05	0
Towns of:					
Canajoharie	85,883	0	85,883	94.63	81,271
Carlisle	0	0	0	1.44	0
Charleston	142,806	0	142,806	2.54	3,627
Minden	0	0	0	0.43	0
Mohawk	0	0	0	0.58	0
Palatine	0	0	0	50.73	0
Root	0	0	0	77.62	0
Sharon	0	0	0	0.04	0
Village of:					
Canajoharie	3,068,891	2,459,400	609,491	100.00	609,491
				Total	<u>\$4,339,984</u>

(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 September 18, 2012.

Debt Ratios As of September 18, 2012⁽¹⁾

	<u>Amount</u>	<u>Per Capita</u> ⁽²⁾	<u>Percentage of Full Value</u> ⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$19,426,000	\$3,071.79	5.78%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	23,765,984	3,758.06	7.08

(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 6,324.

(3) Based on the District's full value of taxable real estate using the State equalization rates for 2012-13 of \$335,858,717

(4) The District expects to deliver \$6,795,000 School District Bonds to the Authority in connection with the refunding of \$7,826,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

The District does not have any other projects currently authorized nor are any 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.

Canajoharie Central School District
<http://emma.msrb.org/EP596932-EP466852-EP866959.pdf>
 Base CUSIP: 136861

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 1. 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 1. On or about November 15, 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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Canajoharie	\$107,493,208	\$108,280,275	\$111,113,594	\$111,350,956	\$112,534,638
Carlisle	988,226	1,051,014	1,054,923	1,003,244	1,007,424
Charleston	2,146,515	2,203,752	2,294,594	2,302,642	2,309,724
Minden	373,667	709,498	737,890	740,839	738,016
Mohawk	402,662	412,918	436,777	1,705,383	1,639,165
Palatine	45,526,428	45,772,621	46,258,635	47,002,533	46,343,906
Root	70,741,298	71,750,127	76,315,326	78,569,344	79,476,479
Sharon	30,428	29,468	30,260	31,578	33,442
Total Assessed Valuation	<u><u>\$227,702,432</u></u>	<u><u>\$230,209,673</u></u>	<u><u>\$238,241,999</u></u>	<u><u>\$242,706,519</u></u>	<u><u>\$244,082,794</u></u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Canajoharie	62.00%	60.60%	60.00%	60.00%	66.00%
Carlisle	75.00	73.00	74.00	77.00	81.00
Charleston	100.00	93.00	92.01	100.00	100.00
Minden	65.28	100.00 ⁽¹⁾	100.00	100.00	100.00
Mohawk	36.00	32.02	32.02	100.00 ⁽¹⁾	100.00
Palatine	60.00	55.41	59.00	59.00	58.00
Root	100.00	93.00	92.01	100.00	100.00
Sharon	75.00	73.00	74.00	77.00	81.00
Taxable Full Valuation	\$325,109,452	\$344,286,943	\$352,598,497	\$349,912,370	\$335,858,717

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

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$5,977,646	\$6,216,752	\$6,341,087	\$6,467,909	\$6,629,607
% Uncollected When Due ⁽¹⁾	9.8%	10.83%	10.62%	11.22%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$11,732,457	\$18,521,017	63.35%
2009-2010	11,499,731	18,852,036	61.00
2010-2011	11,109,735	18,190,819	61.07
2011-2012 (Unaudited)	10,539,712	17,553,909	60.04
2012-2013 (Budgeted)	11,316,682	19,279,887	58.70

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$249,023	\$459,855
2009-2010	125,723	343,132
2010-2011	203,370	609,808
2011-2012 (Unaudited)	277,584	709,384
2012-2013 (Budgeted)	361,583	688,879

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

GASB 45 and OPEB

The District contracted with West & Company, CPA's PC to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$18,869,176. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$18,869,176. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$2,054,132. The District's annual OPEB expense was \$1,440,758 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$0 to the Plan for the fiscal year ending June 30, 2012 to 160 employees, resulting in a net increase to its unfunded OPEB obligation of \$817,232, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$2,871,364. 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 \$83,880 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$1,614,478 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$2,271,131	\$802,056	\$682,038	\$2,151,112
2013-2014	2,274,201	801,976	682,100	2,154,325
2014-2015	2,267,361	802,631	682,500	2,147,230
2015-2016	2,267,616	801,906	683,500	2,149,210
2016-2017	2,266,466	801,801	683,500	2,148,165
2017-2018	2,048,751	802,201	682,500	1,929,050
2018-2019	1,805,786	801,896	680,500	1,684,390
2019-2020	1,809,920	802,140	682,500	1,690,280
2020-2021	1,811,525	801,825	683,250	1,692,950
2021-2022	1,811,548	801,898	682,750	1,692,401
2022-2023	1,764,850	802,250	681,000	1,643,600
2023-2024	1,763,000	802,250	683,000	1,643,750
2024-2025	954,500	802,600	683,500	835,400
2025-2026	918,525	802,200	682,500	798,825
2026-2027	117,275	-	-	117,275
2027-2028	113,000	-	-	113,000
2028-2029	113,725	-	-	113,725
2029-2030	109,225	-	-	109,225
2030-2031	109,725	-	-	109,725

**APPENDIX C-7
DESCRIPTION OF
CARTHAGE CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-7 a brief description of the Carthage 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 270 square miles, is located in Jefferson and Lewis Counties about 18 miles from the City of Watertown. The District includes the Towns of Champion, LeRay, Rutland and Wilna in Jefferson County, Croghan, Denmark and Diana in Lewis County and the incorporated Villages of Black River, Carthage, Deferiet, Herrings and West Carthage.

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, fiber shipping drums, paper making machinery, granite and memorial monuments and industrial chemicals, as well as the location for the U.S. Army's Fort Drum.

Population

The current estimated population of the District is 14,632 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Fort Drum ⁽¹⁾	Military Installation	19,447 Military 4,826 Civilian
Jefferson Rehabilitation Center	Healthcare	650
Carthage Central School District	Education	555
Jefferson-Lewis BOCES	Education	500
Carthage Area Hospital	Hospital	342

⁽¹⁾ Actual number employed at any time is dependent on the number of personnel deployed.

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Grid	Utility	\$46,308,581
Erie Boulevard Hydropower	Utility	25,616,103
Black River Generation LLC	Utility	11,000,000
DC West Carthage & Carthage Associates	Apartments	6,289,200
WDC Carthage Associates	Apartments	5,884,200

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 14.6% 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 Jefferson and Lewis Counties.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Jefferson County	5.6%	6.8%	8.9%	9.5%	9.7%
Lewis County	5.5	6.7	8.9	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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	3,200	3,400	3,550	3,600	3,650	3,700	3,750

Note: The District projects an increase in enrollment due to new housing being constructed on the U.S. Army’s Fort Drum which is located within the District. The actual number of students may vary due to status of military deployments and possible family relocations during deployment.

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
298	Carthage Teachers’ Association (New York State United Teachers Affiliate)	June 30, 2011 ⁽¹⁾
225	Carthage School Related Personnel (New York State United Teachers Affiliate)	June 30, 2011 ⁽¹⁾
11	Carthage Administrators’ Association	June 30, 2012 ⁽¹⁾
10	Carthage District Office Personnel	June 30, 2012 ⁽¹⁾
5	Carthage Association of Middle Level Managers	June 30, 2012 ⁽¹⁾
3	Carthage Central Office Administrative Support Staff	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$775,356,978
Debt Limit (10% of Full Valuation)	77,535,698
Gross Indebtedness ⁽²⁾	\$39,865,914
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$39,865,914
Net Debt Contracting Margin	\$37,669,784
Percentage of Debt Contracting Power Exhausted	51.42%

- (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 \$12,560,000 School District Bonds to the Authority in connection with the refunding of \$14,081,000 of the District’s outstanding school district serial bonds, Series 2002, which 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 District	Applicable Net Indebtedness
Counties of:					
Jefferson	\$17,845,000	\$0	\$17,845,000	9.45%	\$1,686,352
Lewis	18,047,115	0	18,047,115	3.80	685,790
Towns of:					
Champion	2,812,064	1,170,164	1,641,900	92.88	1,524,996
Croghan	900,450	442,039	458,411	8.56	39,240
Denmark	840,619	145,619	695,000	26.35	183,132
Diana	0	0	0	6.04	0
LeRay	11,744,302	11,744,302	0	22.29	0
Rutland	9,176,760	1,820,933	7,355,827	61.75	4,542,223
Wilna	435,390	235,390	200,000	100.00	200,000
Villages of:					
Black River	2,838,738	85,901	2,752,837	100.00	2,752,837
Carthage	2,338,316	1,693,316	645,000	100.00	645,000
Deferiet	45,000	0	45,000	100.00	45,000
Herrings	85,076	85,076	0	100.00	0
West Carthage	1,110,000	1,110,000	0	100.00	0
Total					\$12,304,570

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	Amount	Per Capita⁽²⁾	Percentage of Full Value⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$39,865,914	\$2,724.57	5.14%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	52,170,484	3,565.51	6.73

(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 14,632.

(3) Based on the District's full value of taxable real estate using the State equalization rates for 2012-13 of \$775,356,978.

(4) The District expects to deliver \$12,560,000 School District Bonds to the Authority in connection with the refunding of \$14,081,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The District has not issued Tax or Revenue Anticipation Notes for the last 6 fiscal years and does not expect to issue such notes in the current fiscal year.

Capital Project Plans

As a result of the recent and projected increases in enrollment due to the recent housing construction at the U.S. Army's Fort Drum, the District is reviewing the facilities needs of the District. Although no formal plan has been established, the District is reviewing the possibility of an additional capital project to address increasing student population.

Pending voter approval, the District annually issues serial bonds for the purchase of school buses and vehicles.

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.

Carthage Central School District
<http://emma.msrb.org/EP596873-EP466791-EP866870.pdf>
Base CUSIP: 146663

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 1. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 1st to November 1. On or about November 15, 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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Champion	\$206,472,766	\$210,684,867	\$222,179,594	\$229,267,530	\$235,620,988
Croghan	17,079,668	18,371,752	18,572,099	18,845,977	19,582,466
Denmark	34,661,771	35,090,959	36,188,998	36,596,599	37,950,517
Diana	8,303,996	8,905,916	8,944,815	9,118,683	9,695,402
LeRay	92,428,281	103,974,514	77,908,274	75,964,101	77,464,080
Rutland	70,598,295	70,810,323	70,121,530	70,881,006	72,131,989
Wilna	260,547,973	259,657,258	260,143,630	261,444,488	261,917,919
Total Assessed Valuation	<u>\$690,092,750</u>	<u>\$707,495,589</u>	<u>\$694,058,940</u>	<u>\$702,118,384</u>	<u>\$714,363,361</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Champion	100.00%	100.00%	100.00%	100.00%	100.00%
Croghan	77.00	71.00	71.00	72.00	68.00
Denmark	100.00	100.00	100.00	100.00	100.00
Diana	100.00	100.00	100.00	100.00	100.00
LeRay	100.00	100.00	100.00	100.00	100.00
Rutland	74.00	71.00	67.00	65.50	65.50
Wilna	100.00	95.00	93.50	93.50	95.00
Taxable Full Valuation	\$719,999,275	\$757,588,242	\$754,267,048	\$765,789,356	\$775,356,978

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$8,815,939	\$8,822,939	\$8,837,939	\$9,022,818	\$9,127,006
% Uncollected When Due ⁽¹⁾	5.24%	5.83%	5.89%	6.65%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$34,026,686	\$46,772,010	72.75%
2009-2010	32,504,578	49,341,933	65.88
2010-2011	31,431,598	48,700,829	64.54
2011-2012 (Unaudited)	31,654,229	49,713,547	63.67
2012-2013 (Budgeted)	33,056,223	52,972,969	62.40

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$496,919	\$1,632,589
2009-2010	477,915	1,473,357
2010-2011	738,309	1,279,283
2011-2012 (Unaudited)	1,017,873	1,913,712
2012-2013 (Budgeted)	1,250,000	2,249,522

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

GASB 45 and OPEB

The District contracted with Harbridge Consulting Group, L.L.C. to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$64,936,867. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$64,936,867. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$14,494,095. The District's annual OPEB expense was \$6,015,763 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$0 to the Plan for the fiscal year ending June 30, 2012 to 1,686,324 employees, resulting in a net increase to its unfunded OPEB obligation of \$4,329,439, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$18,823,534. 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$1,437,330 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$6,863,146 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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⁾

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$6,656,876	\$2,837,238	\$2,538,405	\$6,358,043
2013-2014	5,627,851	2,101,003	1,824,400	5,351,249
2014-2015	5,347,464	2,100,978	1,822,000	5,068,487
2015-2016	5,067,668	2,100,553	1,824,000	4,791,116
2016-2017	4,741,166	2,100,508	1,822,500	4,463,159
2017-2018	4,744,126	2,100,568	1,822,500	4,466,059
2018-2019	4,741,921	2,099,963	1,823,750	4,465,709
2019-2020	3,724,231	1,073,423	926,000	3,576,809
2020-2021	3,722,419	1,073,550	924,000	3,572,869
2021-2022	2,006,750	-	-	2,006,750
2022-2023	2,010,750	-	-	2,010,750

⁽¹⁾ Schedule does not include remaining payments of \$747,127 due under an energy performance contract.

**APPENDIX C-8
DESCRIPTION OF
CATSKILL CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-8 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, including two shopping centers, a 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

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Catskill Central School District	Public Education	375
Wal-Mart	Retail Store	325
Eden Park Nursing Home	Nursing Home	150
Lehigh Portland Cement Company	Cement Company	150
Price Chopper Supermarket	Supermarket	135

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Central Hudson Gas & Electric Corporation	Utility	\$32,337,958
Niagara Mohawk Power Corporation (National Grid)	Utility	27,089,919
Glens Falls Lehigh Cement Company	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				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Greene County	4.8%	5.9%	8.4%	8.6%	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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
166	Catskill Teacher' Association	June 30, 2012 ⁽¹⁾
143	Catskill School Unit CSEA	June 30, 2012 ⁽¹⁾⁽²⁾
7	Catskill Administration	June 30, 2014

(1) Currently under negotiations.

(2) Catskill School Unit CSEA agreed to a one year extension pursuant to a memorandum of agreement.

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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$1,047,748,718
Debt Limit (10% of Full Valuation)	104,774,872
Gross Indebtedness ⁽²⁾	\$41,067,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$41,067,000
Net Debt Contracting Margin	\$63,707,872
Percentage of Debt Contracting Power Exhausted	39.20%

(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 \$12,955,000 School District Bonds to the Authority in connection with the refunding of \$14,587,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Greene	\$23,819,295	\$0	\$23,819,295	18.22%	\$4,339,876
Towns of:					
Catskill	1,066,274	338,109	728,165	98.85	719,791
Athens	0	0	0	27.05	0
Cairo	6,733,451	1,336,276	5,397,175	0.02	1,079
Villages of:					
Catskill	3,560,962	2,627,800	933,162	100.00	933,162
Athens	3,258,832	2,163,292	1,095,540	100.00	1,095,540
				Total	\$7,089,448

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$41,067,000	\$3,296.70	3.92%
Gross Indebtedness Plus Net Overlapping Indebtedness	48,156,448	3,865.81	4.60

- (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 2012-13 of \$1,047,748,718.
- (4) The District expects to deliver \$12,955,000 School District Bonds to the Authority in connection with the refunding of \$14,587,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

On January 11, 2005, District 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 have been 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 New York State Expanding our Children’s Education and Learning (“EXCEL”) aid. The 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 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 District issued \$1,550,000 bond anticipation notes as the third borrowing against said authorization. On September 22, 2011, the District renewed \$13,629,881 bond anticipation notes which matured on December 29, 2011. On December 15, 2011, the 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/ER538289-ER416469-ER818313.pdf>
 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 1. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2 to November 1. On or about November 15, 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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Catskill	\$572,892,059	\$575,538,185	\$575,443,632	\$569,304,427	\$561,265,474
Athens	80,807,512	80,537,624	80,982,968	82,325,902	80,323,269
Cairo	<u>106,200</u>	<u>106,200</u>	<u>106,200</u>	<u>106,200</u>	<u>106,200</u>
Total Assessed Valuation	<u>\$653,805,771</u>	<u>\$656,182,009</u>	<u>\$656,532,800</u>	<u>\$651,736,529</u>	<u>\$641,694,943</u>

	State Equalization Rates Years Ending June 30,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Catskill	58.00%	58.00%	59.80%	60.30%	60.50%
Athens	60.00	58.50	60.25	63.00	67.00
Cairo	57.05	59.50	63.25	67.00	70.00
Taxable Full Valuation	\$1,122,610,268	\$1,130,156,855	\$1,096,859,791	\$1,074,954,653	\$1,047,748,718

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$15,706,237	\$15,793,320	\$16,035,733	\$16,222,564	\$16,574,791
% Uncollected When Due ⁽¹⁾	9.57%	12.49%	9.98%	10.0%	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 four completed fiscal years and the budgeted figures for the current fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
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 (Unaudited)	15,504,241	35,752,262	43.37
2012-2013 (Budgeted)	15,263,042	37,088,536	41.15

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$150,049	\$997,144
2009-2010	190,288	723,196
2010-2011	283,836	923,393
2011-2012 (Unaudited)	462,574	1,607,773
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 Questar III BOCES, to calculate its “other post-employment benefits” (“OPEB”) plan (the “Plan”) in accordance with GASB 45. As of June 30, 2012, 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 \$26,799,549. The actuarial value of the Plan’s assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$26,799,549. For the fiscal year ending June 30, 2012, the District’s beginning year Net OPEB obligation was \$6,523,329. The District’s annual OPEB expense was \$2,473,534 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$494,004 to the Plan for the fiscal year ending June 30, 2012 to its employees, resulting in a net increase to its unfunded OPEB obligation of \$1,979,530, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$8,502,859. 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 \$889,116 toward its OPEB liability. See also “PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB.*”

Note: This information has been developed pursuant to unaudited information from the District.

Recent Operating Results

The District’s revenues exceeded its expenditures by \$2,070,315 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$4,997,263 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.*”

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$4,201,103	\$1,259,640	\$1,066,559	\$4,008,022
2013-2014	4,203,275	1,256,865	1,063,845	4,010,255
2014-2015	4,194,719	1,256,715	1,064,445	4,002,449
2015-2016	4,200,630	1,255,970	1,064,195	4,008,855
2016-2017	4,201,848	1,258,575	1,067,695	4,010,968
2017-2018	4,200,340	1,259,255	1,069,695	4,010,780
2018-2019	4,192,418	1,256,658	1,065,195	4,000,956
2019-2020	4,194,703	1,259,380	1,069,445	4,004,768
2020-2021	4,196,640	1,260,055	1,066,945	4,003,530
2021-2022	4,188,880	1,255,683	1,062,945	3,996,143
2022-2023	2,611,518	1,256,420	1,062,445	2,417,543
2023-2024	2,491,498	1,257,900	1,065,195	2,298,793
2024-2025	1,752,548	1,257,200	1,065,945	1,561,293
2025-2026	1,711,878	1,257,300	1,064,695	1,519,273
2026-2027	1,710,363	1,256,050	1,061,445	1,515,758
2027-2028	1,711,138	1,259,400	1,066,195	1,517,933
2028-2029	1,710,450	1,257,000	1,063,445	1,516,895
2029-2030	1,484,213	1,260,000	1,062,445	1,286,658
2030-2031	224,950	-	-	224,950
2031-2032	225,213	-	-	225,213

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

**APPENDIX C-9
DESCRIPTION OF
CHAUTAUQUA LAKE CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-9 a brief description of the Chautauqua 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 was formed on July 1, 1996 when the former Mayville Central School District and Chautauqua Central School District merged. The District is located in the Towns of Chautauqua, Ellery, North Harmony, Portland, Stockton and Westfield, all within Chautauqua County. The District covers approximately 105 square miles.

The District is located in the extreme southwestern corner of New York State. The City of Buffalo lies approximately 70 miles to the northeast, while the City of Jamestown lies approximately 20 miles to the southeast. The District is predominately rural and residential in character, with some commercial facilities and agricultural production.

Population

The current estimated population of the District is 5,000 (2010 U.S. Census Bureau estimate).

Four Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Chautauqua County	Municipal Government	1,250
Chautauqua Institute	Education / Recreational Facility	1,000
Chautauqua Lake Central School District	Public Education	205
Tops Markets	Retail – Grocery	35

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Chautauqua Institution	Education/Recreation	\$107,116,500
National Grid Power Corp.	Utility	11,537,390
Chautauqua Hotel Co., Inc.	Commercial	5,662,400
North Shore at Chautauqua	Commercial	3,992,600
Chautauqua Inns Ltd.	Commercial	3,658,100

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 12.39% 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 Chautauqua County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Chautauqua County	4.6%	5.5%	8.4%	8.8%	7.9%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	859	856	840	828	828	820	810

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
106	Chautauqua Lake Central School District Teachers Association	June 30, 2012 ⁽¹⁾
58	Chautauqua Lake Central School District Support Staff	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$1,205,615,333
Debt Limit (10% of Full Valuation)	120,561,533
Gross Indebtedness ⁽²⁾	\$17,823,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	<u>\$17,823,000</u>
Net Debt Contracting Margin	\$102,738,533
Percentage of Debt Contracting Power Exhausted	14.78%

- (1) The District has not incurred any indebtedness since the date of this table.
- (2) The District expects to deliver \$10,320,000 School District Bonds to the Authority in connection with the refunding of \$11,803,000 of the District’s outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness</u> ⁽¹⁾	<u>Exclusions</u> ⁽²⁾	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Chautauqua	\$54,558,652	\$72,000	\$54,486,652	13.86%	\$7,551,850
Towns of:					
Chautauqua	3,067,000	2,097,000	970,000	100.00	970,000
Ellery	470,487	0	470,487	4.37	20,560
North Harmony	273,953	0	273,953	72.92	199,767
Portland	2,238,410	1,836,410	402,000	3.13	12,583
Stockton	0	0	0	6.58	0
Westfield	340,000	180,000	160,000	1.37	2,192
Village of:					
Mayville	428,413	375,113	53,300	100.00	53,300
				Total	<u>\$8,810,252</u>

- (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 September 18, 2012.

Debt Ratios			
As of September 18, 2012⁽¹⁾			
	<u>Amount</u>	<u>Per Capita</u> ⁽²⁾	<u>Percentage of Full Value</u> ⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$17,823,000	\$3,564.60	1.48%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	26,633,252	5,326.65	2.21

- (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 5,000.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$1,205,615,333.
- (4) The District expects to deliver \$10,320,000 School District Bonds to the Authority in connection with the refunding of \$11,803,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

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.

Chautauqua Central School District
<http://emma.msrb.org/ER532306-ER411242-ER813111.pdf>
 Base CUSIP: 16255P

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 1. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2 to November 1. On or about November 15, 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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Chautauqua	\$958,219,053	\$936,840,416	\$966,552,290	\$976,582,099	\$977,025,189
Ellery	14,628,274	14,638,420	14,675,419	20,507,083 ⁽¹⁾	19,853,822
New Harmony	160,936,288	183,391,044	184,352,573	183,814,589	183,429,095
Portland	3,564,573	3,587,777	3,671,815	3,640,553	3,639,181
Stockton	5,293,625	5,698,623	6,830,341	6,938,307	6,948,068
Westfield	3,261,292	3,280,837	3,263,896	3,228,147	3,181,645
Total Assessed Valuation	<u>\$1,145,903,105</u>	<u>\$1,147,437,117</u>	<u>\$1,179,346,334</u>	<u>\$1,194,710,778</u>	<u>\$1,194,077,000</u>

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

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Chautauqua	100.00%	93.50%	95.50%	100.00%	100.00%
Ellery	87.00	75.50	77.00	100.00 ⁽¹⁾	100.00
North Harmony	89.50	100.00	97.50	96.50	96.00
Portland	65.50	65.50	64.00	62.00	54.00
Stockton	97.35	95.00	100.00	100.00	100.00
Westfield	88.00	84.00	84.00	84.00	80.00
Taxable Full Valuation	\$1,169,436,077	\$1,220,129,870	\$1,236,688,329	\$1,204,223,820	\$1,205,615,333

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

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$9,963,482	\$9,181,926	\$9,201,064	\$9,667,146	\$10,418,502
% Uncollected When Due ⁽¹⁾	5.14%	4.72%	4.89%	5.57%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$7,581,186	\$18,109,171	41.86%
2009-2010	7,147,656	17,244,531	41.45
2010-2011	7,190,293	17,067,858	42.13
2011-2012 (Unaudited)	6,978,651	19,248,241	36.26
2012-2013 (Budgeted)	7,300,000	19,124,484	38.17

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>TRS</u>	<u>ERS</u>
2008-2009	\$506,723	\$167,271
2009-2010	436,192	170,356
2010-2011	453,994	282,566
2011-2012 (Unaudited)	722,624	468,499
2012-2013 (Budgeted)	722,624	468,499

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, 2012, 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 \$502,614. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$502,614. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$12,425. The District's annual OPEB expense was \$73,642 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$73,642 to the Plan for the fiscal year ending June 30, 2012, resulting in a net decrease to its unfunded OPEB obligation of \$598, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$11,827. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2012 financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB.*"

Note: This information has been developed pursuant to unaudited information from the District.

Recent Operating Results

The District's revenues is expected to exceed its expenditures by \$578,011 in its General Fund for the fiscal year ended June 30, 2012, resulting in an expected General Fund balance of \$1,427,694 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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 Principal Debt Service	Refunded Principal Debt Service	Refunding Principal Debt Service	Total Principal Debt Service After Refunding
2012-2013	\$1,809,589	\$1,198,799	\$1,023,217	\$1,634,007
2013-2014	1,600,791	1,201,081	1,025,825	1,425,535
2014-2015	1,596,851	1,198,351	1,018,825	1,417,325
2015-2016	1,601,691	1,199,781	1,020,575	1,422,485
2016-2017	1,595,776	1,196,026	1,015,825	1,415,575
2017-2018	1,601,221	1,199,259	1,024,825	1,426,787
2018-2019	1,602,379	1,198,785	1,021,825	1,425,419
2019-2020	1,603,805	1,199,161	1,017,325	1,421,969
2020-2021	1,605,339	1,200,226	1,021,325	1,426,438
2021-2022	1,195,819	1,195,819	1,013,325	1,013,325
2022-2023	829,100	829,100	703,825	703,825
2023-2024	829,700	829,700	707,825	707,825
2024-2025	829,750	829,750	705,325	705,325
2025-2026	827,200	827,200	706,575	706,575
2026-2027	828,100	828,100	701,325	701,325
2027-2028	745,200	745,200	634,825	634,825
2028-2029	390,600	390,600	335,075	335,075

**APPENDIX C-10
DESCRIPTION OF
CHITTENANGO CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-10 a brief description of the Chittenango 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 the State, sixteen miles east of the City of Syracuse on Route 5. The District, which is in the northwestern portion of Madison and Onondaga Counties and the eastern perimeter of Onondaga County, encompasses an area of 75 square miles. The District extends from the area near Chittenango Falls State Park northward to the southern shore of Oneida Lake.

The District, though predominantly rural, has been the scene of numerous residential developments in the past decade. The labor force works in Syracuse or in the industrial communities to the east. However, certain portions of the area are still given over to farming.

The State Thruway cuts through the District with access to various interchanges. The residents are served by air, bus and train terminals, all located within sixteen miles of the community. The Syracuse-Hancock International Airport is served by many major airlines.

The colleges and universities which are located in the area (but not within the District) include Syracuse University, LeMoyne College, Colgate University, Hamilton College, Utica College, Cazenovia College and institutions of the State University College of Education.

Banking needs are provided by the State Bank of Chittenango and Oneida Savings Bank, which are located within the District, as well as branches of various Syracuse banks located within a ten-mile radius of the District offices.

Ample fire protection is afforded the residents through volunteer services. Police protection is available through State, County and local agencies.

Population

The current estimated population of the District is 13,920 (2010 U.S. Census Bureau estimate).

Five Largest Employers

Some of the larger employers in close proximity to the District and the estimated number of persons employed by each are as follows:

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Colgate University	Education	857
Oneida Health Care	Hospital	758
Morrisville State College	Education	580
Marquardt Switches	Manufacturing	480
Wal-Mart	Retail	450

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Niagara Mohawk Power Corporation (National Grid)	Utility	\$18,625,427
Verizon NY, Inc.	Utility	3,079,870
Tall Pines Lakehaven Associates, LLC	Mobile Home Park	2,600,000
North Atlantic Development Inc.	Commercial	2,410,000
Hickory Hills Apts. Inc.	Apartments	2,064,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 4.8% 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 Onondaga and Madison Counties.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Onondaga County	4.1%	5.2%	7.7%	8.1%	7.7%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	2,250	2,250	2,224	2,174	2,087	2,050	2,050

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
205	Chittenango Teachers' Association	June 30, 2013
118	Non-Affiliated	N/A
39	Teamsters Local 317	June 30, 2013
33	AFSCME Local 2630A (Maintenance)	June 30, 2013
11	Empire Administrators	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$765,454,343
Debt Limit (10% of Full Valuation)	76,545,434
Gross Indebtedness ⁽²⁾	\$19,655,798
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$19,655,798
Net Debt Contracting Margin	\$56,889,636
Percentage of Debt Contracting Power Exhausted	25.68%

(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 \$7,930,000 School District Bonds to the Authority in connection with the refunding of \$8,788,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Madison	\$15,010,000	\$0	\$15,010,000	16.23%	\$2,436,123
Onondaga	422,114,191	206,639,541	215,474,650	0.004	8,619
Towns of:					
Sullivan	5,609,050	1,130,470	4,478,580	90.64	4,059,385
Cazenovia	524,635	182,367	342,268	1.48	5,066
Lincoln	149,928	149,928	0	0.82	0
Lenox	2,194,000	0	2,194,000	1.75	38,395
Cicero	3,401,659	866,528	2,535,132	0.02	507
Manlius	519,573	0	519,573	0.07	364
Village of:					
Chittenango	6,149,964	6,133,243	16,721	100.00	16,721
				Total	\$6,565,180

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$19,655,798	\$1,412.05	2.57%
Gross Indebtedness Plus Net Overlapping Indebtedness	26,220,978	1,883.69	3.43

- (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 13,920.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$765,454,343.
- (4) The District expects to deliver \$7,930,000 School District Bonds to the Authority in connection with the refunding of \$8,788,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The District issued \$1,500,000 of Revenue Anticipation Notes in the 2005-2006 fiscal year and \$2,000,000 Revenue Anticipation Notes in the 2006-2007 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 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.

Chittenango Central School District
<http://emma.msrb.org/ER539094-ER417123-ER819010.pdf>
 Base CUSIP: 170214

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 1. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2 to November 1. On or about November 15, 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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Sullivan	\$608,501,585	\$617,890,802	\$627,071,857	\$632,263,067	\$637,097,550
Cazenovia	8,253,990	8,262,400	8,304,546	8,384,794	8,390,206
Lincoln	829,769	922,167	791,673	950,197	980,242
Lenox	7,619,716	7,347,539	7,421,138	7,395,211	7,791,049
Cicero	19,351	17,458	19,958	367,119 ⁽¹⁾	350,344
Manlius	1,034,356	988,293	1,532,167	1,034,378	1,318,544
Total Assessed Valuation	<u>626,258,767</u>	<u>635,428,659</u>	<u>645,141,339</u>	<u>\$650,394,766</u>	<u>\$655,927,935</u>

⁽¹⁾ Significant change due to revaluation.

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Sullivan	88.00%	82.50%	84.50%	85.50%	85.50%
Cazenovia	78.00	76.50	83.00	80.00	85.00
Lincoln	100.00	98.00	97.25	95.25	100.00
Lenox	100.00	98.00	97.25	95.25	100.00
Cicero	4.90	4.90	4.90	100.00 ⁽¹⁾	100.00
Manlius	100.00	100.00	100.00	100.00	100.00
Taxable Full Valuation	\$711,939,872	\$769,542,125	\$762,486,872	\$760,133,040	\$765,454,343

⁽¹⁾ Significant change due to revaluation.

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$14,944,067	\$15,787,650	\$15,894,114	\$16,392,792	\$16,720,648
% Uncollected When Due ⁽¹⁾	5.7%	7.2%	7.3%	7.0%	2.0%

⁽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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$19,895,415	\$35,770,438	55.62%
2009-2010	18,536,677	36,165,045	51.26
2010-2011	17,982,399	35,905,875	50.08
2011-2012 (Unaudited)	16,177,510	36,193,962	44.70
2012-2013 (Budgeted)	16,636,127	33,578,279	49.54

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$356,937	\$1,077,656
2009-2010	376,550	887,425
2010-2011	571,958	1,251,698
2011-2012 (Unaudited)	794,556	1,333,599
2012-2013 (Budgeted)	945,264	1,454,000

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 June 30, 2012, 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 \$60,202,254. The actuarial value of the Plan's

assets was \$60,202,254, resulting in an unfunded actuarial accrued liability (UAAL) of \$60,202,254. The District's annual OPEB expense was \$7,280,585 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$2,224,238 to the Plan for the fiscal year ending June 30, 2012 to 128 active employees and 235 retirees, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$5,056,351. 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 unaudited information from the District.

Recent Operating Results

The District's expenditures exceeded its revenues by \$868,258 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$5,200,000 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$3,567,010	\$1,679,235	\$1,487,701	\$3,375,476
2013-2014	3,566,638	1,679,125	1,482,200	3,369,713
2014-2015	3,573,135	1,678,385	1,486,000	3,380,750
2015-2016	3,429,700	1,678,850	1,485,750	3,236,600
2016-2017	2,484,195	1,318,245	1,157,500	2,323,450
2017-2018	2,480,555	1,318,205	1,157,500	2,319,850
2018-2019	2,484,880	1,317,730	1,155,000	2,322,150
2019-2020	1,160,150	-	-	1,160,150
2020-2021	975,450	-	-	975,450
2021-2022	297,750	-	-	297,750
2022-2023	295,500	-	-	295,500
2023-2024	297,750	-	-	297,750
2024-2025	299,250	-	-	299,250

**APPENDIX C-11
DESCRIPTION OF
CLYMER CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-11 a brief description of the Clymer 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 77 square miles, is located in the southwestern corner of Chautauqua County, approximately 25 miles east of Erie, Pennsylvania. The District includes the Towns of Clymer, French Creek, Mina and a very small portion of Sherman.

The District is primarily rural residential in character. Residents find employment in Erie and Corry, Pennsylvania, as well as Jamestown, New York, which is less than 20 miles away.

Population

The current estimated population of the District is 3,208 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Peek n' Peak	Ski Resort	900
Clymer Central School District	Public School	144
Dutch Village	Restaurant/Retail	26
Heil Transportation	Trucking	85
Zahm & Matson	Retail	20

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Kiebler Recreation	Commercial	\$13,864,043
El Paso Tennessee Gas Pipeline	Utility	7,174,560
Niagara Mohawk Power Corporation (National Grid)	Utility	6,822,734
Travaglinni Enterprises	Hotel	1,985,000
Maplevale Farms	Commercial	1,780,100

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 13.74% 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 Chautauqua County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Chautauqua County	4.6%	5.5%	8.4%	8.8%	7.9%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	435	448	458	452	449	449	446

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
50	Clymer Teacher Chapter (New York State United Teachers affiliate)	June 30, 2011 ⁽¹⁾
42	Clymer Support Staff (New York State United Teachers affiliate)	June 30, 2011 ⁽¹⁾
6	Confidential Management	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 September 18, 2012⁽¹⁾

Full Valuation of Taxable Real Property	\$280,429,951
Debt Limit (10% of Full Valuation)	28,042,995
Gross Indebtedness ⁽²⁾	\$11,513,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$11,513,000
Net Debt Contracting Margin	\$16,529,995
Percentage of Debt Contracting Power Exhausted	41.05%

(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 \$2,635,000 School District Bonds to the Authority in connection with the refunding of \$2,910,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness</u> ⁽¹⁾	<u>Exclusions</u> ⁽²⁾	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Chautauqua	\$54,558,652	\$72,000	\$54,486,652	4.20%	\$2,288,439
Towns of:					
Clymer	128,226	0	128,226	100.00	128,226
French Creek	0	0	0	98.71	0
Mina	0	0	0	85.30	0
Sherman	0	0	0	0.41	0
				Total	\$2,416,665

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita</u> ⁽²⁾	<u>Percentage of Full Value</u> ⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$11,513,000	\$3,588.84	4.11%
Gross Indebtedness Plus Net Overlapping Indebtedness	13,929,665	4,342.17	4.97

- (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 3,208.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$280,429,951.
- (4) The District expects to deliver \$2,635,000 School District Bonds to the Authority in connection with the refunding of \$2,910,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

Qualified voters of the District approved a \$567,037 capital project on December 13, 2011. The project addresses issues found in the District’s five-year plan and includes site work renovations and classroom reconstruction at the Main Building. Planned work at the Bus Garage includes the instillation of a carbon monoxide exhaust system, the replacement of the radio communication system and a roof replacement.

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.

Clymer Central School District
<http://emma.msrb.org/ER543238-ER420591-ER822531.pdf>
 Base CUSIP: 189738

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

School tax payments are due September 4, payable to September 30 without penalty. A 2% penalty is added for taxes paid between October 1 and October 31 and 3% for taxes paid between November 1 and November 4.

Uncollected school taxes are turned over to the Chautauqua County Commissioner of Finance and the Country Collections Unit on or about November 22 and the County reimburses the District in full before the end of the fiscal year in which the taxes were levied.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Clymer	\$46,092,626	\$47,103,639	\$65,089,971 ⁽¹⁾	\$64,520,112	\$65,483,716
French Creek	96,449,850	100,637,352	102,281,871	103,899,428	104,730,285
Mina	99,968,270	107,639,969	107,095,317	109,355,730	109,972,573
Sherman	193,350	256,350	242,160	242,730	243,377
Total Assessed Valuation	<u>\$242,704,096</u>	<u>\$255,637,310</u>	<u>\$274,709,319</u>	<u>\$278,018,000</u>	<u>\$280,429,951</u>

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

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Clymer	87.00%	74.88%	100.00% ⁽¹⁾	100.00%	100.00%
French Creek	100.00	100.00	100.00	100.00	100.00
Mina	100.00	100.00	100.00	100.00	100.00
Sherman	100.00	100.00	100.00	100.00	100.00
Taxable Full Valuation	\$249,591,500	\$271,439,172	\$274,709,319	\$278,018,000	\$280,429,951

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

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$3,795,714	\$3,795,708	\$3,795,711	\$3,795,711	\$3,867,770
% Uncollected When Due ⁽¹⁾	13.21%	12.76%	10.00%	12.99%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$5,352,029	\$9,649,888	55.46%
2009-2010	5,111,777	9,542,952	53.57
2010-2011	4,957,746	9,374,883	52.88
2011-2012 (Unaudited)	4,795,913	9,033,670	53.09
2012-2013 (Budgeted)	4,885,822	9,510,591	51.37

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$64,911	\$263,271
2009-2010	68,098	221,664
2010-2011	106,808	290,850
2011-2012 (Unaudited)	161,559	354,364
2012-2013 (Budgeted)	153,906	360,844

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

GASB 45 and OPEB

The District contracted with the Burke Group to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$6,843,672. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$6,843,672. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$595,190. The District's annual OPEB expense was \$487,551 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$364,258 to the Plan for the fiscal year ending June 30, 2012 to 158 participants, resulting in a net increase to its unfunded OPEB obligation of \$123,293, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$718,483. 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 unaudited information from the District.

Recent Operating Results

The District's expenditures exceeded its revenues by \$80,199 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$742,713 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$1,446,704	\$509,690	\$451,758	\$1,388,772
2013-2014	1,455,144	510,330	451,350	1,396,164
2014-2015	1,461,397	509,870	452,750	1,404,277
2015-2016	1,472,462	510,310	450,000	1,412,152
2016-2017	1,466,042	509,540	451,500	1,408,002
2017-2018	1,474,662	509,560	452,000	1,417,102
2018-2019	1,476,874	509,410	451,500	1,418,964
2019-2020	968,414	-	-	968,414
2020-2021	967,383	-	-	967,383
2021-2022	969,638	-	-	969,638
2022-2023	972,438	-	-	972,438
2023-2024	177,438	-	-	177,438

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**APPENDIX C-12
DESCRIPTION OF
COBLESKILL-RICHMONDVILLE CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-12 a brief description of the Cobleskill-Richmondville 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

Located in the north central part of scenic Schoharie County, with small portions of the District in Otsego and Montgomery Counties, the District has a land area of about 181 square miles. The District is 40 miles southwest of the City of Albany and 35 miles southwest of Schenectady. While in a rural setting, Highway I-88 places Cobleskill and Richmondville within easy reach of metropolitan centers.

The District centers around the incorporated Village of Cobleskill. The Village is the commercial hub of the surrounding agricultural areas and contains industrial manufacturers of textiles, plastics and other products. The State University of New York Agriculture and Technical College at Cobleskill has an enrollment of more than 2,500. It provides extensive two-year and four-year programs and cultural activities. Easy commuting distances allow residents access to the Capital District’s industries, fifteen colleges and universities, cultural resources and State government.

Recreational activities include an 18-hole public golf course, tennis courts, bowling alley, community playground and swimming pool and nearby summer and winter resorts. Many cultural offerings are shared with the community by SUNY Cobleskill.

The Community Library serves the residents of the District. The library contains 18,000 volumes, has borrowings privileges with public libraries in eight counties, and is a member of the Mohawk Valley Library System. It has an extensive local history collection, and offers free public access to the Internet for its patrons.

The Community Library participates in competitive grants, and offers funded programs and services that are available to help meet the informational and recreational needs of its patrons. The library has been designated by New York State as an Electronic Doorway Library.

Population

The current estimated population of the District is 14,282 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
State University College at Cobleskill	Higher Education	450
Schoharie County	Municipality	380
Cobleskill-Richmondville Central School District	Public Education	365
Wal-Mart, Inc.	Retail	300
Schoharie Central School District	Public Education	200

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Grid	Utility	\$12,737,682
Wal-Mart, Inc.	Retail	7,325,000
Cobleskill Business Park	Commercial	5,500,000
New York State Electric & Gas	Utility	4,354,628
County of Schoharie	Government	4,265,601

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 6.8% 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) are Schoharie, Otsego, and Montgomery Counties.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Schoharie County	5.9%	6.9%	9.0%	9.3%	9.4%
Otsego County	4.6	5.7	7.6	7.6	7.6
Montgomery County	6.0	7.1	9.6	10.0	9.8
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	2,155	2,154	2,091	2,055	2,003	2,015	2,015

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
175	Cobleskill-Richmondville Teachers' Association	June 30, 2011 ⁽¹⁾
174	Cobleskill-Richmondville Educational Support Personnel Association	June 30, 2014
8	Confidential/Management	Annual Agreements
7	Cobleskill-Richmondville Administrators' Association	June 30, 2012 ⁽¹⁾
1	Superintendent	Annual Agreements

⁽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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$745,297,088
Debt Limit (10% of Full Valuation)	74,529,709
Gross Indebtedness ⁽²⁾	\$33,465,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	<u>\$33,465,000</u>
Net Debt Contracting Margin	\$41,064,709
Percentage of Debt Contracting Power Exhausted	44.90%

- (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 \$9,075,000 School District Bonds to the Authority in connection with the refunding of \$11,065,000 of the District's outstanding school district serial bonds, Series 2002, which 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 District	Applicable Net Indebtedness
Counties of:					
Schoharie	\$9,995,000	\$9,995,000	\$0	34.95%	\$0
Otsego	18,827,853	62,853	18,765,000	0.23	43,160
Montgomery	33,881,000	0	33,881,000	0.01	3,388
Towns of:					
Cobleskill	103,531	0	103,531	99.93	103,459
Carlisle	0	0	0	84.07	0
Seward	208,460	10,260	198,200	95.68	189,638
Richmondville	1,096,029	1,096,029	0	100.00	0
Summit	0	0	0	80.62	0
Schoharie	141,501	0	141,501	6.03	8,533
Fulton	22,000	0	22,000	11.66	2,565
Blenheim	827,463	0	827,463	7.21	59,660
Middleburgh	271,930	0	271,930	5.02	13,651
Worcester	293,550	273,550	20,000	5.42	1,084
Esperance	950,091	141,500	808,591	3.26	26,360
Decatur	0	0	0	2.86	0
Roseboom	0	0	0	2.74	0
Root	0	0	0	0.15	0
Jefferson	425,308	98,988	326,320	2.92	9,529
Village of:					
Cobleskill	8,730,463	5,503,427	3,227,036	100.00	3,227,036
Richmondville	1,392,665	1,193,944	198,721	100.00	198,721
				Total	<u>\$3,886,784</u>

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$33,465,000	\$2,343.16	4.49%
Gross Indebtedness Plus Net Overlapping Indebtedness	37,351,784	2,615.30	5.01

- (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 14,282.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$745,297,088.
- (4) The District expects to deliver \$9,075,000 School District Bonds to the Authority in connection with the refunding of \$11,065,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

<u>Fiscal Year</u>	<u>Amount</u>	<u>Type</u>	<u>Issue Date</u>	<u>Due Date</u>
2007-2008	\$2,400,000	RAN	6/28/07	6/27/08
2008-2009	2,400,000	RAN	6/26/08	6/26/09
2009-2010	2,400,000	RAN	6/25/09	6/25/10
2010-2011	990,000	RAN	6/24/10	6/24/11

Capital Project Plans

The District has no authorized and unissued indebtedness for capital or other purposes.

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.

Cobleskill-Richmondvile Central School District
<http://emma.msrb.org/ER539098-ER417128-ER819014.pdf>
 Base CUSIP: 19104R

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 1. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2 to November 1. On or about November 15, 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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Cobleskill	\$247,664,266	\$247,981,152	\$246,492,808	\$248,215,237	\$250,338,866
Carlisle	60,715,965	60,497,510	61,949,826	63,077,219	63,784,002
Seward	70,641,450	70,798,154	72,046,145	72,444,896	73,196,668
Richmondville	134,037,838	142,504,873	147,361,263	146,230,649	145,903,147
Summit	49,205,351	49,554,478	50,278,739	50,435,991	50,300,938
Schoharie	8,569,889	8,531,269	8,697,850	8,709,100	8,702,885
Fulton	8,352,583	8,502,559	8,523,163	8,488,868	8,527,902
Blenheim	2,611,410	2,592,830	2,545,245	2,545,245	2,518,125
Middleburgh	5,641,081	6,192,283	6,619,957	6,703,446	6,861,927
Worcester	4,633,811	4,805,764	4,575,327	4,552,225	4,568,937
Esperance	2,523,943	2,708,099	2,586,535	2,600,171	2,627,882
Jefferson	1,325,899	1,314,360	2,256,743	1,754,002	1,756,302
Decatur	563,395	539,195	511,167	539,595	506,368
Roseboom	838,528	837,503	825,486	818,542	817,381
Root	115,600	119,513	149,200	148,355	125,692
Total Assessed Valuation	<u>\$597,441,009</u>	<u>\$607,479,542</u>	<u>\$615,419,454</u>	<u>\$617,263,541</u>	<u>\$620,537,022</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Cobleskill	73.50%	71.50%	77.00%	78.50%	81.00%
Carlisle	75.00	73.00	74.00	77.00	81.00
Seward	75.00	73.00	74.00	77.00	81.00
Richmondville	100.00	98.00	100.00	100.00	103.00
Summit	53.50	53.00	56.00	59.60	62.50
Schoharie	70.50	76.00	74.00	76.00	79.00
Fulton	60.00	59.00	63.00	63.00	65.00
Blenheim	75.00	75.00	75.00	75.00	80.00
Middleburgh	64.00	66.00	66.00	66.00	68.00
Worcester	60.00	52.00	57.50	59.00	60.00
Esperance	70.50	76.00	74.00	76.00	79.00
Jefferson	57.00	53.00	54.50	56.00	60.00
Decatur	50.00	44.31	45.75	47.25	48.00
Roseboom	56.15	47.96	52.00	48.24	50.00
Root	100.00	93.00	92.01	100.00	100.00
Taxable Full Valuation	\$784,207,792	\$813,313,689	\$785,004,562	\$769,255,064	\$745,297,088

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$10,267,244	\$10,982,529	\$13,698,112	\$14,102,112	\$14,488,681
% Uncollected When Due ⁽¹⁾	14.33%	14.32%	13.82%	13.09%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$21,010,404	\$35,889,807	58.54%
2009-2010	19,897,540	36,146,994	55.05
2010-2011	18,243,303	34,593,197	52.74
2011-2012 (Unaudited)	17,919,485	34,192,101	52.41
2012-2013 (Budgeted)	18,105,145	33,936,039	53.35

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$320,819	\$959,209
2009-2010	436,899	993,295
2010-2011	504,825	1,113,738
2011-2012 (Unaudited)	669,619	1,270,207
2012-2013(Budgeted)	725,000	1,405,000

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, 2012, 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 \$72,160,609. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$72,160,609. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$11,239,602. The District's annual OPEB expense was \$5,980,285 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$1,821,021 to the Plan for the fiscal year ending June 30, 2012 to 569 employees, resulting in a net increase to its unfunded OPEB obligation of \$4,159,264, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$15,398,866. The aforementioned liability and ARC will be 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$1,329,942 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$3,772,504 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$4,490,043	\$1,457,595	\$1,195,637	\$4,228,085
2013-2014	4,436,033	1,400,525	1,151,300	4,186,808
2014-2015	4,440,385	1,401,950	1,146,500	4,184,935
2015-2016	3,947,318	1,019,680	813,000	3,740,638
2016-2017	3,956,270	1,020,670	814,250	3,749,850
2017-2018	3,945,770	1,020,845	814,250	3,739,175
2018-2019	3,949,835	1,020,773	813,000	3,742,063
2019-2020	3,781,090	1,019,915	815,500	3,576,675
2020-2021	3,777,226	1,020,220	811,500	3,568,506
2021-2022	1,743,780	1,019,530	816,250	1,540,500
2022-2023	1,621,418	1,019,793	809,250	1,410,876
2023-2024	1,620,875	1,019,850	816,000	1,417,025
2024-2025	1,019,800	1,019,800	815,750	815,750
2025-2026	1,019,550	1,019,550	813,750	813,750

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**APPENDIX C-13
DESCRIPTION OF
CORINTH CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-13 a brief description of the Corinth 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, established in 1894 and centralized in 1953, is located in the Village of Corinth as well as all or portions of the Towns of Corinth, Day, Greenfield, Hadley and Wilton in Saratoga County and the Town of Lake Luzerne in Warren County. The District covers approximately 85 square miles.

The District is served by an excellent network of State highways, providing access to U.S. Route 87 at Exit 16. State Route 9N is the main route through the District. Rail service and air transportation are available in Albany, approximately 50 miles to the South.

The District is primarily a rural area, with some 40% of its land area located within the Adirondack Park. Residents are employed in the Glens Falls/Queensbury area, approximately ten miles to the northeast, and in the Saratoga Springs/Ballston Spa area, roughly 12 miles to the south. Lumber and papermaking are primary industries in Corinth.

Depending on location, residents use private wells and septic or village water and public services. Police protection is provided to the Village and Town by the County Sherriff’s Department as well as the New York State Police. Fire Protection and ambulance service are provided by various volunteer organizations. Electricity is provided by National Grid, while telephone service is provided by Frontier Communication and Verizon, New York.

The District provides public education for grades K-12. Opportunities for higher education are available in Glens Falls and Albany.

District residents find commercial and financial services in Corinth, as well as Glens Falls and Albany. Banking facilities are provided in the Village of Corinth by TD Banknorth, N.A., Saratoga National Bank, N.A. and Hudson River Community Credit Union.

Population

The current estimated population of the District is 8,123 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Corinth Central School District	Public Education	233
Town of Corinth	Municipality	50
Hudson River Community Credit Union	Banking	35
Grand Union	Grocery Store	20
Evergreen Health Center	Medical Facility	20

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Curtis/Palmer Hydro Electric	Hydro Electric	\$118,533,800
Erie Boulevard Hydro LP	Hydro Electric	14,987,000
National Grid	Utility	11,244,368
MH Alpine, LLC	Campground	9,332,100
State of New York	State Land	6,404,274

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 26.82% 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 Warren Counties

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Saratoga County	3.7%	4.6%	6.4%	6.8%	6.6%
Warren County	4.5	5.6	8.0	8.5	8.2
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	1,318	1,273	2,179	1,230	1,191	1,197	1,185

District Employees

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

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
110	Corinth Teachers’ Association	June 30, 2012 ⁽¹⁾
24	Associated Staff Union	June 30, 2012 ⁽¹⁾
47	Civil Service 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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$659,018,238
Debt Limit (10% of Full Valuation)	65,901,824
Gross Indebtedness ⁽²⁾	\$6,520,876
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$6,520,876
Net Debt Contracting Margin	\$59,380,948
Percentage of Debt Contracting Power Exhausted	9.89%

(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 \$2,225,000 School District Bonds to the Authority in connection with the refunding of \$2,592,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Saratoga	\$69,125,000	\$0	\$69,125,000	4.54%	\$3,138,275
Warren	46,279,230	6,781,015	39,498,215	0.24	94,796
Towns of:					
Corinth	0	0	0	100.00	0
Day	0	0	0	1.48	0
Greenfield	0	0	0	8.79	0
Hadley	210,000	210,000	0	6.66	0
Lake Luzerne	2,413,000	190,000	2,223,000	6.71	149,163
Wilton	345,000	345,000	0	0.01	0
Village of:					
Corinth	5,995,725	185,725	5,810,000	100.00	5,810,000
				Total	\$9,192,234

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$6,520,876	\$802.77	0.99%
Gross Indebtedness Plus Net Overlapping Indebtedness	15,713,110	1,934.40	2.38

- (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 8,123.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$659,018,238.
- (4) The District expects to deliver \$2,225,000 School District Bonds to the Authority in connection with the refunding of \$2,592,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

The District has plans for an energy performance contract to be issued through the New York Power Authority in the amount of \$1,235,000, pending approval by the State Education Department. Upon approval, the District intends to proceed with a lease financing.

The voters of the District have approved a capital project in the amount of \$3,575,000. The project is currently in its design phase. The District expects submission to the State Education department this fall with anticipated approval in January 2013. Borrowings related to this project are expected to take place in summer 2013.

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.

Corinth Central School District
<http://emma.msrb.org/ER550958-ER427347-ER829582.pdf>
 Base CUSIP: 218854

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 1. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2 to November 1. On or about November 15, 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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Corinth	\$541,683,486	\$541,850,622	\$551,802,229	\$554,085,044	\$547,374,631
Day	3,099,194	3,099,194	3,107,194	3,114,594	3,124,614
Greenfield	62,713,518	63,908,734	64,709,127	65,778,571	64,764,145
Hadley	21,746,335	12,800,125	12,851,093	12,949,358	13,188,505
Lake Luzerne	25,489,261	25,165,173	21,549,841	25,202,311	25,134,081
Wilton	63,300	63,300	63,300	63,300	174,900
Total Assessed Valuation	<u>\$654,795,094</u>	<u>\$646,887,148</u>	<u>\$654,082,784</u>	<u>\$661,193,178</u>	<u>\$653,760,876</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Corinth	100.00%	97.00%	100.00%	100.00%	100.00%
Day	64.77	62.36	68.05	67.40	69.21
Greenfield	100.00	100.00	100.00	100.00	104.00
Hadley	73.15	72.00	75.00	76.00	78.00
Lake Luzerne	87.00	81.00	86.00	89.00	90.50
Wilton	100.00	100.00	100.00	100.00	100.00
Taxable Full Valuation	\$668,271,641	\$676,396,832	\$663,333,447	\$669,903,807	\$659,018,238

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$7,384,587	\$7,140,490	\$7,307,064	\$7,297,339	\$7,487,070
% Uncollected When Due ⁽¹⁾	7.52%	6.96%	7.34%	6.59%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$11,489,566	\$20,154,643	57.00%
2009-2010	10,653,678	19,380,901	54.97
2010-2011	9,263,788	19,086,995	48.54
2011-2012 (Unaudited)	9,127,881	17,748,783	51.43
2012-2013 (Budgeted)	9,194,738	19,607,947	46.89

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$143,769	\$657,727
2009-2010	129,639	508,958
2010-2011	233,724	720,910
2011-2012 (Unaudited)	311,782	853,725
2012-2013 (Budgeted)	337,500	962,059

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

GASB 45 and OPEB

The District contracted with Green Mountain Benefits to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of July 1, 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 \$1,961,665. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,961,665. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$582,461. The District's annual OPEB expense was \$215,780 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$16,032 to the Plan for the fiscal year ending June 30, 2012 to 204 employees, resulting in a net increase to its unfunded OPEB obligation of \$199,748, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$782,209. The aforementioned liability and ARC are recognized and will be 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 unaudited information from the District.

Recent Operating Results

The District's expenditures exceeded its revenues by \$795,427 in its General Fund for the fiscal year ended June 30, 2012, resulting in an estimated unassigned General Fund balance of \$777,951 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$1,108,178	\$289,670	\$248,197	\$1,066,705
2013-2014	1,008,283	290,145	247,300	965,438
2014-2015	999,576	290,125	251,500	960,951
2015-2016	985,248	290,610	248,750	943,388
2016-2017	785,314	290,545	250,750	745,519
2017-2018	635,799	290,930	252,250	597,119
2018-2019	449,395	290,220	248,250	407,425
2019-2020	448,961	289,985	249,000	407,976
2020-2021	453,748	290,173	249,250	412,826
2021-2022	452,506	289,730	249,000	411,776
2022-2023	452,246	290,658	248,250	409,839
2023-2024	290,850	290,850	252,000	252,000

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**APPENDIX C-14
DESCRIPTION OF
DELHI CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-14 a brief description of the Delhi 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 Delaware County, 19 miles southeast of the City of Oneonta. The City of Albany lies 85 miles to the northeast, Binghamton 75 miles southwest and Kingston 80 miles to the east. The District encompasses approximately 196 square miles.

The District is primarily a farming and residential community in nature. Besides farming, residents are engaged in industry, commerce, education and professions in and around the City of Oneonta. Oneonta and surrounding shopping centers accommodate the residents with their retail shopping requirements.

The Village of Delhi is considered the hub of the District, and is part of the western gateway to the historic and picturesque Catskill Mountains. It is the County Seat of Delaware County and is located in the winding valley of the Delaware River, at the junction of State Routes #10 and #28.

Various colleges located within and in close proximity to the District are available to the residents. Delhi College is located on a 1000-acre campus overlooking the Village. It is one of the most modern and best equipped two-year colleges in the State University of New York (SUNY) system. The school can offer its 2,000 students Associate Degrees in Science, Applied Science, Applied Science and Arts. Other schools include Hartwick College and State University College of Oneonta, both located in Oneonta.

In addition, the countryside throughout the District is one of New York State's major year-round recreation areas which attracts a substantial tourist trade.

Commercial banking facilities are provided by the Delaware National Bank of Delhi and Wilber National Bank. The area is served by volunteer fire departments and receives police protection from local and state agencies.

Founded in 1820, the District is one of the oldest educational institutions in the State. Originally, a private academy, limited public education began in 1903 with the present Central School District being created by referendum in 1936.

Population

The current estimated population of the District is 8,813 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Amphenol Corp.	Manufacturing	1,500
Mead Westvaco	Organizers/Planners	1,100
Granite Capital Holdings	Fuel/Gas Stations	650
Tyco Health Care	Pharmaceutical Preparations	750
State University of New York - Delhi	State University	500

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
New York State Electric & Gas	Utility	\$30,495,947
Burkditz Delhi LLC	Commercial	3,978,995
Morningstar Foods LLC	Commercial	2,731,150
Delhi Telephone Company	Utility	2,662,151
City of New York	City	2,235,385

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately **12.8%** 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 Delaware County.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Delaware County	4.4%	6.0%	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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	850	821	793	765	780	770	750

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
84	Delhi Academy Faculty Association	June 30, 2011 ⁽¹⁾
40	Delhi Academy Support Staff	June 30, 2013
43	CSEA Non-Teaching Association	June 30, 2013
2	Administrators	June 30, 2015
4	Supervisors	June 30, 2014

⁽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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$679,936,257
Debt Limit (10% of Full Valuation)	67,993,626
Gross Indebtedness ⁽²⁾	\$15,545,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$15,545,000
Net Debt Contracting Margin	\$52,448,626
Percentage of Debt Contracting Power Exhausted	22.86%

- (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 \$1,770,000 School District Bonds to the Authority in connection with the refunding of \$1,805,000 of the District’s outstanding school district serial bonds, Series 2002, which 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 District	Applicable Net Indebtedness
County of:					
Delaware	\$20,435,000	\$0	\$20,435,000	13.35%	\$2,728,073
Towns of:					
Andes	2,287,457	602,857	1,684,600	0.02	337
Bovina	254,669	254,669	0	64.00	0
Delhi	0	0	0	99.26	0
Franklin	0	0	0	23.21	0
Hamden	204,951	204,951	0	48.97	0
Kortright	286,120	210,520	75,600	2.16	1,633
Meredith	59,232	59,232	0	83.40	0
Villages of:					
Delhi	4,965,000	4,565,000	400,000	100.0%	400,000
Franklin	0	0	0	100.0%	0
				Total	\$3,130,043

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	Amount	Per Capita⁽²⁾	Percentage of Full Value⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$15,545,000	\$1,763.87	2.29%
Gross Indebtedness Plus Net Overlapping Indebtedness	18,675,043	2,119.03	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 8,813.

(3) Based on the District's full value of taxable real estate using the State equalization rates for 2012-13 of \$679,936,257.

(4) The District expects to deliver \$1,770,000 School District Bonds to the Authority in connection with the refunding of \$1,805,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The District has no short-term cash flow indebtedness outstanding at this time. The District, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes.

Capital Project Plans

The District is currently developing a plan for a capital project. The scope and amount are not yet determined, however it is anticipated that the project will be between \$4 and \$7 million for reconstruction of various buildings. A timeline has not yet been established, but a vote is projected to occur in early 2013.

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.

Delhi Central School District
<http://emma.msrb.org/ER548392-ER425104-ER827221.pdf>
Base CUSIP: 246797

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

Approximately 3.5% of the taxable full valuation of the 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 year as the year of levy.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Andes	\$20,700	\$36,786	\$28,181	\$28,181	\$28,181
Bovin	19,714,180	19,998,013	20,444,785	20,915,647	21,182,873
Delhi	182,800,292	183,431,260	185,041,556	184,806,862	185,327,961
Franklin	40,599,156	41,458,834	41,838,997	42,102,753	43,896,014
Hamden	12,462,597	12,807,843	12,937,516	13,035,836	13,140,704
Kortright	3,288,346	3,671,195	3,377,097	3,380,760	3,382,252
Meredith	<u>130,652,423</u>	<u>124,842,979</u>	<u>125,304,392</u>	<u>124,474,072</u>	<u>123,185,456</u>
Total Assessed Valuation	<u><u>\$389,537,694</u></u>	<u><u>\$386,246,910</u></u>	<u><u>\$388,972,524</u></u>	<u><u>\$388,744,111</u></u>	<u><u>\$390,143,441</u></u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Andes	100.00%	100.00%	100.00%	100.00%	100.00%
Bovin	24.00	24.42	23.91	23.50	23.75
Delhi	56.56	56.56	57.25	54.25	53.95
Franklin	79.00	77.00	84.00	90.00	90.27
Hamden	16.86	18.15	17.75	18.00	18.25
Kortright	100.00	100.00	100.00	100.00	100.00
Meredith	100.00	100.00	100.00	100.00	100.00
Taxable Full Valuation	\$664,610,476	\$659,164,869	\$660,129,362	\$676,745,724	\$679,936,257

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$7,946,536	\$8,072,514	\$8,424,175	\$8,528,635	\$8,694,943
% Uncollected When Due ⁽¹⁾	9.46%	10.38%	11.09%	10.38%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$10,033,887	\$18,596,753	53.96%
2009-2010	9,234,887	19,102,328	48.34
2010-2011	8,581,949	18,068,273	47.50
2011-2012 (Unaudited)	8,343,538	17,987,033	46.39
2012-2013 (Budgeted)	8,290,830	17,704,497	46.83

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$131,697	\$439,479
2009-2010	239,269	354,023
2010-2011	320,273	454,010
2011-2012	340,742	591,247
2012-2013 (Budgeted)	377,760	599,086

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, 2012, 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 \$24,571,772. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$24,571,772. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$5,940,639. The District's annual OPEB expense was \$2,658,353 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$2,546,175 to the Plan for the fiscal year ending June 30, 2012 to employees, resulting in a net increase to its unfunded OPEB obligation of \$1,875,088, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$7,815,727. 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$53,991 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$849,144 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$2,798,724	\$761,275	\$727,844	\$2,765,293
2013-2014	2,797,495	761,865	733,400	2,769,030
2014-2015	2,275,000	240,420	226,000	2,260,580
2015-2016	2,276,345	240,540	225,750	2,261,555
2016-2017	2,039,080			2,039,080
2017-2018	1,510,718			1,510,718
2018-2019	980,860			980,860
2019-2020	982,640			982,640
2020-2021	986,680			986,680
2021-2022	987,670			987,670
2022-2023	556,400			556,400

**APPENDIX C-15
DESCRIPTION OF
EAST ROCKAWAY UNION FREE SCHOOL DISTRICT**

There follows in this Appendix C-15 a brief description of the East Rockaway 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 encompasses approximately 900 acres located on the south shore of Long Island, 20 miles from Manhattan and 7 miles from John F. Kennedy International Airport. Although essentially residential, the District contains numerous shops, boat yards and three yacht clubs. There are approximately 3,700 families in the District. The median family size is 3 individuals. The Village of East Rockaway (the "Village") is comprised predominantly (70%) of single-family homes. In addition, there are several small businesses, three banks and several fine restaurants and a marina. The majority of the residents work outside the District, with many commuting to New York City.

Public transportation is provided through two separate railroad stations of the Long Island Railroad and several bus stops of the Metropolitan Suburban Bus Authority. The Southern State Parkway is located in close proximity to the District. In addition, there are several other major roads that are easily accessible.

The Long Island Power Authority provides both electricity and gas to the District while water is provided by the Long Island Water Co. The Village has its own garbage collection system and there are sewers throughout the Village. There is one local volunteer fire department.

Population

The current estimated population of the District is 9,779 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
East Rockaway Union Free School District	Education	320
Village of East Rockaway	Local Government	69
Arlyn Scales, Inc.	Manufacturing	23
Circuits & Systems, Inc.	Electronic Equipment	23
Sextet Fabrics, Inc.	Fabric Converting	17

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Keyspan Gas East Corp.	Utility	\$63,223,636
Sunrise One LLC	Motel	27,851,818
Two 80 290 Atlantic	Apartments	26,821,818
Long Island Power Authority	Utility	19,608,182
450/419 Atlantic Ave LLC	Apartments	19,597,879

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 18.92% 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 the Town of Hempstead and Nassau County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Town of Hempstead	3.9%	4.9%	7.3%	7.4%	7.1%
Nassau County	3.7	4.7	7.0	7.1	6.7
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	1,269	1,239	1,313	1,323	1,279	1,250	1,250

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
127	East Rockaway Teachers Association	June 30, 2014
65	East Rockaway Administrators Association	June 30, 2014
49	East Rockaway Teacher Aides	June 30, 2012 ⁽¹⁾
49	East Rockaway Food Service Workers and Monitors	June 30, 2012 ⁽¹⁾
20	East Rockaway Secretaries Association	June 30, 2015
19	East Rockaway Custodian Association	June 30, 2013
4	East Rockaway Nurses	June 30, 2014

⁽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 September 18, 2012⁽¹⁾

Full Valuation of Taxable Real Property	\$1,364,282,222
Debt Limit (10% of Full Valuation)	136,428,222
Gross Indebtedness ⁽²⁾	\$15,046,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$15,046,000
Net Debt Contracting Margin	\$121,382,222
Percentage of Debt Contracting Power Exhausted	11.03%

(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 \$615,000 School District Bonds to the Authority in connection with the refunding of \$626,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Nassau	\$3,980,360,319	\$460,000,000	\$3,520,360,319	0.51%	\$17,953,838
Town of:					
Hempstead	327,585,321	26,002,516	301,582,805	1.10	3,317,411
Villages of:					
East Rockaway	10,719,550	2,075,750	8,643,800	56.79	4,908,814
Lynbrook	21,324,800	0	21,324,800	0.95	202,586
				Total	\$26,382,649

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$15,046,000	\$1,538.60	1.10%
Gross Indebtedness Plus Net Overlapping Indebtedness	41,428,649	4,236.50	3.04

(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 9,779.

(3) Based on the District's full value of taxable real estate using the State equalization rates for 2012-2013 of \$1,364,282,222.

(4) The District expects to deliver \$615,000 School District Bonds to the Authority in connection with the refunding of \$626,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

<u>Fiscal Year</u>	<u>Amount</u>	<u>Type</u>	<u>Issue Date</u>	<u>Due Date</u>
2008-2009	\$3,500,000	TAN	07/24/2008	6/24/2009
2009-2010	3,500,000	TAN	07/16/2009	6/23/2010
2009-2010	1,500,000	TAN	11/12/2009	6/23/2010
2010-2011	5,000,000	TAN	07/22/2010	6/23/2011
2011-2012	4,000,000	TAN	08/04/2011	6/27/2012
2012-2013	4,000,000	TAN	08/08/2012	6/26/2013

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.

East Rockaway Union Free School District
<http://emma.msrb.org/ER540093-ER417957-ER819874.pdf>
 Base CUSIP: 274767

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

In Nassau County (the “County”), property taxes for the school districts are levied by the County, and are collected by the town tax receivers. Such taxes are due and payable in equal installments on October 1 and April 1, but may be paid without penalty by November 10 and May 10, respectively. The Town Tax Receiver pays to each school district the amounts collected therefor on the first day of each month from October 1 to June 1. Penalties on unpaid taxes are 1% per month from the date such taxes are due and payable. A 1% discount for prepayment of second half taxes is given if received by November 10. Any such discount is a Town charge.

On or before June 1, the Town Tax Receiver files a report of any uncollected school district taxes with the County. The County thereafter on or before June 15 pays to each school district the amount of its uncollected taxes. Thus, each school district should receive its full levy prior to the end of its fiscal year.

Under existing law, the County assumes liability for all tax certiorari refund payments, including any portion of the refund attributable to the reduction in the amount of taxes raised to support school district operations. The County does not currently seek reimbursement from the affected school district following the payment of a refund to a taxpayer. However, the County has enacted a law to end its long-standing practice of paying tax certiorari settlements on behalf of local taxing districts, including school districts. Such law is currently the subject of litigation. The trial court ruled in favor of the County. If such decision is not overturned on appeal, school districts located in the County will be required to pay tax certiorari refunds commencing in their 2012-2013 fiscal year. Under applicable law, school districts are permitted to finance the payment of tax certiorari refunding by issuing bonds or notes.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Town of:					
Hempstead	\$4,315,130	\$4,515,106	\$4,119,284	\$3,861,831	\$6,139,270
Total Assessed Valuation	<u>\$4,315,130</u>	<u>\$4,515,106</u>	<u>\$4,119,284</u>	<u>\$3,861,831</u>	<u>\$6,139,270</u>

	State Equalization Rates Years Ending June 30,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Town of:					
Hempstead	0.32%	0.33%	0.36%	0.33%	0.45%
Taxable Full Valuation	\$1,348,478,125	\$1,368,213,939	\$1,144,245,555	\$1,170,251,818	\$1,364,282,222

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$19,484,345	\$21,387,555	\$21,749,584	\$22,639,857	\$22,632,883
% Uncollected When Due ⁽¹⁾	0%	0%	3.75%	2.80%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$7,290,266	\$30,887,761	23.60%
2009-2010	5,772,689	31,929,934	18.08
2010-2011	5,606,668	32,472,817	17.27
2011-2012 (Unaudited)	6,443,805	34,020,127	18.94
2012-2013 (Budgeted)	5,872,716	35,601,664	16.50

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$222,097	\$1,255,347
2009-2010	219,647	1,149,352
2010-2011	470,835	1,263,621
2011-2012 (Unaudited)	679,682	1,429,470
2012-2013 (Budgeted)	886,985	1,904,351

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

GASB 45 and OPEB

The District contracted with Questar State Aid Planning to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$21,041,365. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$21,041,365. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$6,384,602. The District's annual OPEB expense was \$2,096,423 and its annual required contribution (ARC) is \$2,122,325. The District is on a pay-as-you-go funding basis and paid \$0 to the Plan for the fiscal year ending June 30, 2012 to 0 employees, resulting in

a net increase to its unfunded OPEB obligation of \$0, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$6,384,602. 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 unaudited information from the District.

Recent Operating Results

The District’s revenues exceeded its expenditures by \$988,431 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$1,424,067 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.*”

Note: This information has been developed pursuant to unaudited information from the District.

Historical Continuing Disclosure Compliance

The District has instances of failing to comply with a prior continuing disclosure agreement as a result of making late filings to the MSRB as required by Rule 15c2-12. In 2008, the District filed its audited financial statements for the year ended June 30, 2007 one month late and its annual update of financial information and operating data four months late. The District has certified to the Authority that it has otherwise in the previous five years complied, in all material respects, with any previous undertakings pursuant to Rule 15c2-12.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$2,254,171	\$17,998	\$11,073	\$2,247,247
2013-2014	2,250,653	174,884	169,950	2,245,719
2014-2015	2,253,047	175,403	169,750	2,247,395
2015-2016	2,250,310	175,404	167,125	2,242,031
2016-2017	2,244,544	174,888	169,125	2,238,782
2017-2018	1,736,794			1,736,794
2018-2019	1,742,363			1,742,363
2019-2020	1,739,741			1,739,741
2020-2021	1,744,025			1,744,025
2021-2022	1,202,479			1,202,479
2022-2023	423,559			423,559

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**APPENDIX C-16
DESCRIPTION OF
EASTPORT-SOUTH MANOR CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-16 a brief description of the Eastport-South Manor 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 December 21, 1998, the voters of the Eastport Union Free School District and the South Manor Union Free School District approved the establishment of a Central High School District to provide secondary education to the students of both districts. The Eastport-South Manor Central High School District commenced operations on July 1, 1999. At that point, the Central High School District became responsible for secondary education and both Eastport Union Free School District and South Manor Union Free School District became elementary districts with an obligation to provide elementary education to their resident students.

On December 10, 2003 the residents of the Eastport Union Free School District and the South Manor Union Free School District voted to merge their respective districts with the Eastport-South Manor Central High School District. The merged District commenced operations on July 1, 2004. Upon merger all assets, liabilities, fund balances and outstanding commitments of the three districts become those of the District. Unless otherwise noted, information in this Appendix refers to the District.

The District provides public education in grades K-12 to resident students. The District is located on the south shore of Long Island, approximately 75 miles east of New York City. It encompasses an area of approximately 34 square miles in Suffolk County. It is situated in the Towns of Brookhaven and Southampton, with an additional minor portion located in the Town of Riverhead. The District is primarily residential in character, with the majority of the residences consisting of single-family homes. The District also includes two golf courses, the Long Island Game Farm and some smaller commercial enterprises. Commercial activity is located along the major thoroughfares, downtown retail centers, and along the waterfront. Employment opportunities are available to residents throughout Nassau and Suffolk Counties, with some commuting to New York City. There is a significant amount of developable vacant land within the District which has led to residential and commercial growth.

The southern border of the District is adjacent to Moriches Bay, which provides recreational activities including boating, swimming and fishing, as well as, ancillary commercial activity.

Population

The current estimated population of the District is 18,927 (2010 U.S. Census Bureau estimate).

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Long Island Power Authority	Utility	\$62,843,077
Villas at Pine Hills LLC	Apartments	52,045,055
MHC Greenwood Village LLC	Apartments	12,563,736
Hariri Realty Assoc. Inc.	Commercial	10,070,330
Pine Hills Golf Club	Recreational	8,909,341

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 8.2% 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) is Suffolk County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Suffolk County	3.9%	5.0%	7.4%	7.6%	7.4%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	3,870	3,950	3,957	3,912	3,931	3,918	3,950

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
301	Teachers Association	June 30, 2013
46	Teaching Assistants	June 30, 2014
90	Teacher Aides & Monitors	June 30, 2012 ⁽¹⁾
17	Administrators Association	June 30, 2013
44	Clerical	June 30, 2014
44	Custodial, Maintenance & Grounds	June 30, 2012 ⁽¹⁾
7	Nurses	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 based on 2012 valuation amounts, since 2013 valuation amounts are unavailable.

**Net Debt Contracting Margin
As of September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$2,208,667,877
Debt Limit (10% of Full Valuation)	220,866,787
Gross Indebtedness ⁽²⁾	\$169,088,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	<u>\$169,088,000</u>
Net Debt Contracting Margin	\$51,778,787
Percentage of Debt Contracting Power Exhausted	76.56%

- (1) The District has not incurred any indebtedness since the date of this table. The District expects to issue \$11,250,000 Tax Anticipation Notes on October 24, 2012 maturing on June 21, 2013.
- (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 \$34,515,000 School District Bonds to the Authority in connection with the refunding of \$39,498,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness</u>	<u>Exclusions⁽¹⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Suffolk	\$2,035,899,975	\$422,862,112	\$1,613,037,863	0.87%	\$14,033,429
Towns of:					
Brookhaven	510,521,108	6,085,068	504,436,040	3.65	18,411,915
Riverhead	134,016,100	14,816,688	119,199,412	0.01	11,920
Southampton	151,912,700	16,852,200	135,060,500	0.49	661,796
Fire Districts:					
Eastport	330,490	182,490	148,000	100.00	148,000
Manorville	1,867,212	867,212	1,000,000	95.00	950,000
				Total	<u>\$34,217,060</u>

- (1) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District’s indebtedness as of September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$169,088,000	\$8,933.69	7.66%
Gross Indebtedness Plus Net Overlapping Indebtedness	203,305,060	10,741.54	9.20

- (1) The District has not incurred any indebtedness since the date of the above table. The District expects to issue \$11,250,000 Tax Anticipation Notes on October 24, 2012 maturing on June 21, 2013.
- (2) Based on the District’s current estimated population of 18,927.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2011-2012 of \$2,208,667,877.
- (4) The District expects to deliver \$34,515,000 School District Bonds to the Authority in connection with the refunding of \$39,498,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The following is a history of Tax Anticipation Note (“TAN”) and Revenue Anticipation Note (“RAN”) borrowings for the last four years and the expected TAN borrowing for the current year.

<u>Fiscal Year</u>	<u>Amount</u>	<u>Type</u>	<u>Issue Date</u>	<u>Due Date</u>
2008-2009	\$11,250,000	TAN	10/30/08	6/26/09
2009-2010	10,000,000	TAN	10/8/09	6/25/10
2010-2011	14,000,000	TAN	9/8/10	6/24/11
2011-2012	14,000,000	TAN	9/12/11	6/22/12
2012-2013	11,250,000	TAN	10/24/12	6/21/13

Capital Project Plans

On December 4, 2007 voters of the District approved a \$31,794,000 capital project to pay the cost of (i) (a) partial reconstruction of, and construction of improvements to various elementary school buildings (\$19,600,000), (b) District-wide technology improvements (\$4,787,000), (ii) construction of various improvements at the Eastport Elementary School (\$1,550,000) and (iii) the construction of athletic facility and school building and site improvements at Eastport-South Manor Middle/High School (\$5,857,000). There is \$1,219,350 remaining authorized but unissued amount for this capital project. Of this amount \$1,219,350 is designated to be reimbursed through New York State Expanding our Children’s Education and Learning (“EXCEL”) aid and is not expected to be borrowed.

On October 21, 2009 the District adopted a resolution calling for a Special District Meeting that was held on December 8, 2009. At such Special District Meeting a proposition was submitted and approved by the voters authorizing the expenditure of \$60,835,000, to fund various capital improvements within the District, including the construction of a new school building and the issuance of a like amount of bonds. To date, the District has issued \$36,850,000 in serial bonds to fund this project. \$23,985,000 remains authorized but unissued pursuant to this authorization. It is currently anticipated that \$10,000,000 will be issued in 2013.

The District also expects to enter into an energy performance contract in the amount of \$8,212,393 to fund certain District-wide energy improvements. The District expects to execute a lease financing for this project in the 2012-2013 fiscal 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.

Eastport-South Manor Central School District
<http://emma.msrb.org/ER547320-ER424076-ER826205.pdf>
 Base CUSIP: 27779T

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

Property taxes for the District, together with town and County taxes are collected by the town tax receiver. Such taxes are due and payable in equal installments on December 1 and May 10, but may be paid without penalty by January 10 and May 31, respectively. Penalties on unpaid taxes are 1% per month from the date such taxes are due and payable and 10% after May 31.

The District receives its full levy before the end of the fiscal year in June. Uncollected amounts are not segregated by the town tax receivers, and any deficiency in tax collection is the County's liability under the Suffolk County Tax Act.

Valuations, Rates and Tax Levy

The tables below set forth the assessed and full valuations of taxable real property and the District's real property tax levy for the last five available years. Such assessed and full valuations for the year ended June 30, 2013 are not available as of the date of this Official Statement. Therefore, such valuations and levy are provided for the years ended June 30, 2008 through 2012.

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Towns of:					
Brookhaven	\$18,315,035	\$18,261,460	\$18,089,078	\$17,779,103	\$17,736,976
Southampton	309,902,196	315,389,680	316,296,247	277,537,899	259,207,171
Riverhead	39,000	39,000	39,000	52,500	52,500
Total Assessed Valuation	<u>\$328,256,231</u>	<u>\$333,690,140</u>	<u>\$334,424,325</u>	<u>\$295,369,502</u>	<u>\$276,996,647</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Towns of:					
Brookhaven	0.70%	0.73%	0.77%	0.86%	0.91%
Southampton	89.70	100.00	100.00	100.00	100.00
Riverhead	10.60	11.09	12.34	15.18	15.33
Taxable Full Valuation	\$2,962,288,892	\$2,817,311,211	\$2,665,843,201	\$2,345,221,306	\$2,208,667,877

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Total Tax Levy	\$38,902,426	\$40,487,650	\$42,089,358	\$43,609,302	\$45,787,346
% 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 fiscal year.

<u>Fiscal Year</u>	State Aid and Revenues		Percentage of Total
	Total State Aid⁽¹⁾	Total Revenues⁽¹⁾	Revenues Consisting of State Aid⁽¹⁾
2008-2009	\$29,528,679	\$72,290,830	40.85%
2009-2010	26,461,528	73,355,814	36.07
2010-2011	27,252,315	74,513,130	36.57
2011-2012 (Budgeted)	29,734,344	82,595,650	36.00
2012-2013 (Budgeted)	30,142,742	87,048,290	34.63

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$329,061	\$3,158,291
2009-2010	275,970	2,737,451
2010-2011	559,825	2,400,637
2011-2012 (Budgeted)	821,421	3,824,724
2012-2013 (Budgeted)	952,438	4,093,220

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

GASB 45 and OPEB

The District contracted with Milliman to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$45,136,979. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$45,136,979. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$10,825,312. The District's annual OPEB expense was \$4,676,925 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$909,528 to the Plan for the fiscal year ending June 30, 2012 to 79 employees, resulting in a net increase to its unfunded OPEB obligation of \$3,767,397, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$14,592,709. The aforementioned liability and ARC will be 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 unaudited information from the District.

Recent Operating Results

The District estimates that its revenues will match its expenditures in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$3,481,932 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$11,768,649	\$3,869,385	\$3,498,402	\$11,397,666
2013-2014	12,469,080	3,743,735	3,020,775	11,746,120
2014-2015	12,487,604	3,744,065	3,019,875	11,763,414
2015-2016	12,265,585	3,503,265	2,784,450	11,546,770
2016-2017	12,287,573	3,501,610	2,782,650	11,568,613
2017-2018	12,342,534	3,506,445	2,788,650	11,624,739
2018-2019	12,352,946	3,502,925	2,787,050	11,637,071
2019-2020	12,383,414	3,505,000	2,788,050	11,666,464
2020-2021	12,406,325	3,506,038	2,786,450	11,686,738
2021-2022	12,433,513	3,505,750	2,787,250	11,715,013
2022-2023	12,439,564	3,503,850	2,787,250	11,722,964
2023-2024	11,980,001	3,505,050	2,787,750	11,262,701
2024-2025	11,429,352	3,503,775	2,788,500	10,714,077
2025-2026	10,284,602	3,504,738	2,784,250	9,564,115
2026-2027	8,268,088	3,502,363	2,785,000	7,550,726
2027-2028	6,741,693	3,506,363	2,790,250	6,025,581
2028-2029	6,743,678	3,505,875	2,789,500	6,027,303
2029-2030	6,740,450	3,505,613	2,787,750	6,022,588
2030-2031	677,700	-	-	677,700
2031-2032	270,300	-	-	270,300

**APPENDIX C-17
DESCRIPTION OF
FRANKFORT-SCHUYLER CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-17 a brief description of the Frankfort-Schuyler 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 situated in central New York State, in the western sector of Herkimer County. The City of Utica is located approximately 5 miles to the west and the City of Little Falls is approximately 11 miles to the east. Major highways serving the District include Interstate 90 and New York State Routes 5 and 5S.

The District encompasses approximately 70 square miles. The character of the District is primarily residential and agricultural in nature. The Village of Frankfort is the commercial center of the District.

Major airline service is provided at the Syracuse Hancock International Airport, which is located about 55 miles to the west of the District.

Population

The current estimated population of the District is 7,500 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Remington Arms	Rifle Manufacturer	1,100
Wal-Mart Supercenter	Retail / Grocery	400
Granny’s Kitchen LLC	Commercial Bakery	300
Frankfort-Schuyler Central School District	Education	147
Fiberclyne Lab	Fiber Optics	120

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Grid	Utility	\$14,313,344
Granny’s Kitchen LLC	Commercial Bakery	3,266,300
Millers Grove, LLC	Commercial	2,698,546
Union Fork & Hoe Co.	Industrial	2,650,000
G & I Homes	Trailer Park	2,038,100

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately **12.4%** 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 Herkimer County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Herkimer County	5.0%	6.1%	8.0%	8.5%	8.4%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	1,237	1,213	1,211	1,198	1,148	1,067	1,160

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
112	Frankfort-Schuyler Teachers Association	June 30, 2012 ⁽¹⁾
26	Frankfort-Schuyler Support Staff (Civil Service)	June 30, 2013
5	Frankfort-Schuyler 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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$337,456,612
Debt Limit (10% of Full Valuation)	33,745,661
Gross Indebtedness ⁽²⁾	\$9,940,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$9,940,000
Net Debt Contracting Margin	\$23,805,661
Percentage of Debt Contracting Power Exhausted	29.46%

(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 \$6,675,000 School District Bonds to the Authority in connection with the refunding of \$7,240,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Herkimer	\$7,875,000	\$7,875,000	\$0	6.7%	\$0
Towns of:					
Frankfort	2,741,300	381,300	2,360,000	78.0	1,840,800
Schuyler	203,268	36,000	167,268	30.6	51,184
Village of:					
Frankfort	3,460,990	1,695,485	1,765,505	100.0	1,765,505
				Total	\$3,657,489

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$9,940,000	\$1,325.33	2.95%
Gross Indebtedness Plus Net Overlapping Indebtedness	13,597,489	1,813.00	4.03

- (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 7,500.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$337,456,612.
- (4) The District expects to deliver \$6,675,000 School District Bonds to the Authority in connection with the refunding of \$7,240,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The District has no short-term cash flow indebtedness outstanding at this time. The District has not issued Revenue Anticipation Notes for the last seven 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 system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Frankfort-Schuyler Central School District
<http://emma.msrb.org/ER537592-ER415915-ER817728.pdf>
 Base CUSIP: 352410

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 County for collection. The County reimburses the District in full before the end of the District's fiscal year.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Frankfort	\$209,625,781	\$214,738,561	\$214,984,792	\$214,441,923	\$216,451,848
Schuyler	<u>42,978,177</u>	<u>43,069,875</u>	<u>43,372,592</u>	<u>43,579,489</u>	<u>43,968,733</u>
Total Assessed Valuation	<u><u>\$252,603,958</u></u>	<u><u>\$257,808,436</u></u>	<u><u>\$258,357,384</u></u>	<u><u>\$258,021,412</u></u>	<u><u>\$260,420,581</u></u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Frankfort	79.59%	75.00%	75.00%	75.00%	75.00%
Schuyler	92.50	90.00	92.00	89.50	90.00
Taxable Full Valuation	\$309,844,953	\$334,173,498	\$333,790,511	\$334,614,730	\$337,456,612

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$5,936,073	\$5,936,073	\$6,231,643	\$6,815,469	\$6,862,801
% Uncollected When Due ⁽¹⁾	9.8%	9.8%	9.7%	8.0%	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 four completed fiscal years and the budgeted figures for the current fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	Percentage of Total Revenues Consisting of State Aid ⁽¹⁾
2008-2009	\$9,993,833	\$16,600,699	60.20%
2009-2010	9,266,763	16,350,166	56.68
2010-2011	9,468,186	16,808,634	56.33
2011-2012 (Budgeted)	8,880,665	16,658,140	53.31
2012-2013 (Budgeted)	9,353,654	16,769,455	55.78

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$69,959	\$563,143
2009-2010	70,101	523,651
2010-2011	94,440	440,533
2011-2012 (Unaudited)	119,933	580,884
2012-2013 (Budgeted)	153,367	684,776

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

GASB 45 and OPEB

The District contracts 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 \$25,018,495. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$25,018,495. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$3,247,437. The District's annual OPEB expense was \$2,475,248 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$741,068 to the Plan for the fiscal year ending June 30, 2011 resulting in a net increase to its unfunded OPEB obligation of \$1,734,180, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of \$4,981,617. The aforementioned liability and ARC are recognized and will be 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$256,737 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$752,867 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$1,945,463	\$1,693,413	\$1,527,156	\$1,779,206
2013-2014	1,946,775	1,693,425	1,523,350	1,776,700
2014-2015	1,947,790	1,693,240	1,522,750	1,777,300
2015-2016	1,948,580	1,692,930	1,527,000	1,782,650
2016-2017	1,949,925	1,693,275	1,527,750	1,784,400
2017-2018	252,550	-	-	252,550
2018-2019	258,450	-	-	258,450
2019-2020	259,150	-	-	259,150
2020-2021	257,550	-	-	257,550
2021-2022	260,800	-	-	260,800
2022-2023	258,750	-	-	258,750
2023-2024	256,550	-	-	256,550
2024-2025	144,200	-	-	144,200

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**APPENDIX C-18
DESCRIPTION OF
FREDONIA CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-18 a brief description of the Fredonia 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 a land area of approximately 100 square miles, is located in northern Chautauqua County immediately southeast of the City of Dunkirk.

The District is largely rural residential in character. Most residential properties consist of single-family homes, though there are some multiple dwellings around the State University of New York (SUNY) Fredonia, which is in the District. Many residents of the District find employment locally at the University and at the Red Wing Company, a large food processing company. Residents also find employment in the City of Dunkirk, and the City of Jamestown, which is approximately 20 miles south of the District.

There is a New York State Thruway interchange within the District, and the area is served by a network of state and county roads. Commercial transportation is available at Jamestown Airport.

Population

The current estimated population of the District is 14,732 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
SUNY Fredonia	State University	1,000
Carriage House	Food Processing	717
Fredonia Central School District	Public School	295
Nestle Purina Petcare	Animal Food Products	270
Cliffstar Corporation	Food Processing	644

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Grid	Utility	\$17,640,690
Wal-Mart	Retail	9,784,736
National Fuel Gas	Utility	7,272,891
Brigham Apartments	Residential	6,000,000
Red Wing, Co.	Food Processing	5,320,205

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 10.56% 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 Chautauqua County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Chautauqua County	4.6%	5.5%	8.4%	8.8%	7.9%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	1,687	1,663	1,562	1,606	1,591	1,494	1,477

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
150	Fredonia Teachers' Association	June 30, 2013
45	Fredonia Salaried Support Staff	June 30, 2013
51	Civil Service Employees Union Unit 6318	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$639,058,763
Debt Limit (10% of Full Valuation)	\$63,905,876
Gross Indebtedness ⁽²⁾	\$16,912,592
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$16,912,592
Net Debt Contracting Margin	\$46,993,284
Percentage of Debt Contracting Power Exhausted	26.46%

(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 \$1,815,000 School District Bonds to the Authority in connection with the refunding of \$1,983,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Chautauqua	\$54,558,652	\$72,000	\$54,486,652	9.85%	\$5,366,935
Towns:					
Arkwright	0	0	0	19.14	0
Dunkirk	0	0	0	0.70	0
Pomfret	910,000	910,000	0	93.87	0
Portland	2,238,410	1,836,410	402,000	16.17	65,003
Sheridan	1,386,524	986,524	400,000	26.67	106,680
Village:					
Fredonia	5,234,327	3,489,998	1,744,329	100.00	1,744,329
				Total	\$7,282,948

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$16,912,592	\$1,148.02	2.57%
Gross Indebtedness Plus Net Overlapping Indebtedness	24,195,540	1,642.38	3.68

- (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 14,732.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-2013 of \$657,574,361.
- (4) The District expects to deliver \$1,815,000 School District Bonds to the Authority in connection with the refunding of \$1,983,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

As of the date of this Official Statement, the District does not have any formal plans for construction during the next five years. As part of the ongoing evaluation of the buildings and grounds, the District has begun to compile a list of potential renovations should the District move forward using New York State Expanding our Children’s Education and Learning (“EXCEL”) grant monies.

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.

Fredonia Central School District
<http://emma.msrb.org/EP586282-EP459276-EP859317.pdf>
 Base CUSIP: 356082

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 tax warrant is affixed to the tax rolls authorizing the collection of said taxes to begin September 6 and ending November 1, giving the tax warrant an effective period of 61 days at the expiration of which time the tax collector shall make an accounting in writing to the Board of Education.

School tax payments are due September 6 payable to October 7 without penalty. A 2% penalty is added for taxes paid between October 8 and October 31. Interest of 3% is added on or after November 1.

Uncollected school taxes are turned over to the Chautauqua County Commissioner of Finance on or about November 15, and the County reimburses the District in full before the end of the fiscal year in which the taxes were levied.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Pomfret	\$114,268,770	\$114,199,242	\$114,014,580	\$114,069,347	\$115,408,796
Arkwright	6,302,229	6,261,494	6,339,957	6,409,253	6,371,415
Portland	15,066,886	15,109,139	15,470,732	15,623,382	15,706,875
Sheridan	31,021,622	31,181,179	31,241,417	31,095,465	31,491,948
Dunkirk	613,688	621,358	628,988	631,338	637,018
Total Assessed Valuation	<u>\$167,273,195</u>	<u>\$167,372,412</u>	<u>\$167,695,674</u>	<u>\$167,828,785</u>	<u>\$169,616,052</u>

	State Equalization Rates Years Ending June 30,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Pomfret	20.44%	20.44%	20.44%	20.44%	20.21%
Arkwright	65.50	61.75	61.00	60.50	55.00
Portland	65.50	65.50	64.00	62.00	54.00
Sheridan	69.50	67.50	70.00	70.00	70.00
Dunkirk	84.00	82.25	81.50	81.50	73.50
Taxable Full Valuation	\$637,035,474	\$638,861,955	\$637,770,023	\$639,058,763	\$657,574,361

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$9,890,075	\$10,316,537	\$10,316,537	\$11,670,024	\$12,137,430
% Uncollected When Due ⁽¹⁾	7.87%	8.24%	6.83%	7.28%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$12,969,043	\$26,304,974	49.30%
2009-2010	12,093,152	26,440,906	45.74
2010-2011	11,156,107	26,574,605	41.98
2011-2012 (Unaudited)	9,859,873	25,566,627	38.57
2012-2013 (Budgeted)	11,497,900	27,919,828	41.18

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$158,431	\$1,063,668
2009-2010	181,715	907,972
2010-2011	236,944	912,759
2011-2012 (Unaudited)	272,743	972,794
2012-2013 (Budgeted)	403,512	1,150,000

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

GASB 45 and OPEB

The District contracted with Burke Group to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$1,392,578. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,392,578. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was (\$6,010). The District's annual OPEB expense was \$123,385 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$148,770 to the Plan for the fiscal year ending June 30, 2012 to 243 participants, resulting in a net increase to its unfunded OPEB obligation of (\$25,385), for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of (\$31,395). The aforementioned liability and ARC are recognized and will be 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$1,025,778 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$2,300,000 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$2,978,295	\$347,455	\$311,958	\$2,942,798
2013-2014	2,812,005	347,255	311,650	2,776,400
2014-2015	2,775,340	347,340	312,250	2,740,250
2015-2016	2,726,905	347,655	310,000	2,689,250
2016-2017	2,728,395	347,145	312,250	2,693,500
2017-2018	2,676,060	347,810	308,750	2,637,000
2018-2019	2,715,075	347,325	309,750	2,677,500

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**APPENDIX C-19
DESCRIPTION OF
FRONTIER CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-19 a brief description of the Frontier 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 comprises an area of approximately 39 square miles, and is located in the southern portion of Erie County along the shore of Lake Erie in the Town of Hamburg. The District includes a major portion of the Town of Hamburg and a small portion of the Town of Eden. Portions of the District closest to Buffalo are suburban residential in character while outlying areas are more rural. Most residents of the District are employed in business, industry, and professions in Buffalo or the Niagara Frontier.

Transportation is provided through the District on State routes 5 and 20. Bus service is provided by the Niagara Frontier Transportation Authority (Metro) on a regular commuter basis. Major airlines operate from the Buffalo-Niagara International Airport, a 30-minute drive from the District. Conrail provides rail facilities within the District, which operates several mainlines and spurs with industrial sidings. Passenger rail service is provided by Amtrak in the Village of Depew, north of the District.

Population

The current estimated population of the District is 35,885 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Ford Motor Company	Manufacturing	1,100
Frontier Central School District	Education	940
Wegman’s Markets, Inc.	Retail Food Store	540
West Herr Ford	Auto Sales	509
Engineered Products	Manufacturing	308

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
McKinley Mall, LLC	Mall	\$63,509,852
BG Hamburg & BG Milestrip	Retail	39,756,486
Burke & Related Companies	Apartments	26,356,158
National Fuel Gas	Utility	24,085,701
Ford Motor Company	Manufacturing	22,775,862

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 12.07% 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 Erie County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Erie County	4.8%	5.7%	8.2%	8.3%	7.9%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	5,382	5,352	5,245	5,157	5,081	5,023	4,979

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
459	Frontier Central Teachers Association	June 30, 2011 ⁽¹⁾
408	Frontier Central Employees Association	June 30, 2011 ⁽¹⁾
18	Frontier Central Administrators Association	June 30, 2013
15	Frontier Central Managerial/Confidential Group	June 30, 2013
12	Frontier Central Registered Nurses Association	June 30, 2011 ⁽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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$2,268,984,109
Debt Limit (10% of Full Valuation)	\$226,898,411
Gross Indebtedness ⁽²⁾	\$17,942,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	\$0
Total Net Indebtedness	\$17,942,000
Net Debt Contracting Margin	\$208,956,411
Percentage of Debt Contracting Power Exhausted	7.91%

(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 \$4,015,000 School District Bonds to the Authority in connection with the refunding of \$4,257,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Erie	\$495,117,453	\$78,425,649	\$416,691,804	4.85%	\$20,209,552
Towns of:					
Hamburg	11,374,900	3,036,144	8,338,756	64.92	5,413,520
Eden	11,726,900	10,876,900	850,000	0.29	2,465
				Total	\$25,625,538

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$17,942,000	\$499.99	0.79%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	43,567,538	1,214.09	1.92

- (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 35,885.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$2,268,984,109.
- (4) The District expects to deliver \$4,015,000 School District Bonds to the Authority in connection with the refunding of \$4,257,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The District has not found it necessary to borrow in anticipation of taxes and revenues in recent years, nor does it anticipate borrowing in the near future.

Capital Project Plans

District voters approved a \$29,750,000 capital project on May 17, 2011. The project addresses infrastructure needs, including health and safety issues, energy efficiencies, modernizing of District buildings and an addition for a library media center at Frontier Central High School. The work is expected to take place in phases over a three year period. The District anticipates issuing bond anticipation notes for Phase 1 of the project in the fall of 2012.

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.

Frontier Central School District
<http://emma.msrb.org/ER533917-ER412605-ER814462.pdf>
 Base CUSIP: 359069 & 35907F

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

School District taxes are payable and due by October 15. There is a 7.5% penalty if paid after October 15 until October 31 and a 9.0% penalty for the entire month of November.

On November 30, a list of all unpaid taxes is given to the Erie County Treasurers for relevy on County/School District tax rolls with additional penalties.

The District is reimbursed by the County for all unpaid taxes so that it is assured of 100% collection of its tax levy each year.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Hamburg	\$1,338,796,536	\$1,349,058,970	\$1,366,596,556	\$1,372,490,970	\$1,380,930,952
Eden	896,765	897,857	895,892	897,421	968,552
Total Assessed Valuation	<u>\$1,339,693,301</u>	<u>\$1,349,956,827</u>	<u>\$1,367,492,448</u>	<u>\$1,373,388,391</u>	<u>\$1,381,899,504</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Hamburg	62.50%	61.00%	61.00%	61.00%	60.90%
Eden	70.00	65.00	65.00	69.00	67.00
Taxable Full Valuation	\$2,143,355,550	\$2,212,953,400	\$2,241,700,518	\$2,251,285,807	\$2,268,984,109

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$25,061,212	\$25,841,641	\$26,368,631	\$27,301,249	\$27,902,760
% Uncollected When Due ⁽¹⁾	2.72%	3.24%	2.7%	2.52%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$30,194,178	\$68,575,198	44.03%
2009-2010	26,510,264	69,274,715	38.27
2010-2011	25,641,800	67,295,840	38.10
2011-2012 (Unaudited)	28,224,147	69,104,448	40.84
2012-2013 (Budgeted)	27,665,673	72,285,048	38.27

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$780,421	\$2,278,999
2009-2010	697,172	1,885,744
2010-2011	1,165,430	2,633,044
2011-2012 (Unaudited)	1,491,596	3,358,581
2012-2013 (Budgeted)	1,632,746	3,357,183

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

GASB 45 and OPEB

The District contracted with Burke Group to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$6,361,548. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$6,361,548. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$655,953. The District's annual OPEB expense was \$564,723 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$313,721 to the Plan for the fiscal year ending June 30, 2012 to 492 participants, resulting in a net increase to its unfunded OPEB obligation of \$251,002, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$906,955. The aforementioned liability and ARC are recognized and will be 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 unaudited information from the District.

Recent Operating Results

The District's revenues and planned use of fund balance and reserves exceeded its expenditures by \$3,146,143 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$1,800,000 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$2,570,885	\$1,363,135	\$1,263,961	\$2,471,711
2013-2014	2,567,853	1,363,040	1,260,250	2,465,063
2014-2015	2,386,748	1,175,535	1,079,500	2,290,713
2015-2016	2,132,265	915,740	840,000	2,056,525
2016-2017	1,220,813	-	-	1,220,813
2017-2018	1,229,075	-	-	1,229,075
2018-2019	1,226,163	-	-	1,226,163
2019-2020	1,222,438	-	-	1,222,438
2020-2021	1,226,150	-	-	1,226,150
2021-2022	1,226,875	-	-	1,226,875
2022-2023	1,224,488	-	-	1,224,488
2023-2024	1,233,863	-	-	1,233,863
2024-2025	1,226,200	-	-	1,226,200
2025-2026	382,113	-	-	382,113
2026-2027	385,000	-	-	385,000
2027-2028	382,250	-	-	382,250
2028-2029	384,075	-	-	384,075
2029-2030	385,263	-	-	385,263
2030-2031	385,813	-	-	385,813
2031-2032	385,725	-	-	385,725

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**APPENDIX C-20
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF GLOVERSVILLE**

There follows in this Appendix C-20 a brief description of the City School District of the City of Gloversville (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 situated in upstate New York in the south-central portion of Fulton County, about 35 miles northwest of the City of Albany. It encompasses approximately 90 square miles, and is located primarily within the City of Gloversville. Additionally, the District encompasses various portions of the Towns of Johnstown, Bleecker, Caroga and Mayfield.

The City of Gloversville, together with its twin, the City of Johnstown less than 1 mile away, produces about forty percent of the fine leather gloves made in the United States. Other industries include leather tanning, knitwear, sporting goods, machines and tools, chemicals, furs, shoes, wool blankets, jackets and dyeing, lithographing, and dry cleaning. Residents not employed in the industries located in the District, find employment in industrial and governmental operations in the Cities of Johnstown, Schenectady, Canajoharie and Albany.

Passenger rail service by Amtrak is available in nearby Amsterdam. The Barge Canal, located just to the south, provides direct water transportation to the Port of New York and the Great Lakes at Buffalo.

Bus transportation is provided by Greyhound and Trailways Bus Lines and air transportation is available at Albany International Airport and Fulton County Airport. The New York State Thruway has an interchange just south of the District at Fultonville. Other major highways include New York State Routes 29, 30A and 67.

Electricity and natural gas are supplied throughout the District by National Grid. The City and Towns maintain water supply and distribution systems, entirely supported from user charges, and they provide sanitary sewage collection and treatment facilities. These services are supported from user charges and special benefit assessments.

Police protection is provided by the New York State Police, the Gloversville Police Department, the county Sheriff’s Office, and by police departments of the respective Towns; fire protection service is provided by the Gloversville Fire Department and by local volunteer units; ambulance service is provided by private companies.

Population

The current estimated population of the District is 19,242 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Lexington Center (Fulton Co. ARC)	Residential & Day Treatment	1,350
Nathan Littauer Hospital	Health Care	880
City School District of the City of Gloversville	Education	650
Frontier	Phone Company	481
Taylor Made Custom Parts	Manufacturing	400

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Grid	Utility	\$24,797,617
State of New York	Government	14,134,030
Wal-Mart Stores, Inc.	Retail	5,500,000
Gloversville Partners Alb	Commercial	4,261,200
Clark Trading	Commercial	3,924,225

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 10.2% 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) is Fulton County.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Fulton County	5.5%	6.7%	9.7%	10.2%	10.0%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	3,239	3,240	3,202	3,220	3,224	3,224	3,224

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
252	Gloversville Teachers' Association	June 30, 2015
64	Teachers' Aide Association	June 30, 2014
37	Gloversville School Transportation Association	June 30, 2014
36	Buildings and Grounds Association	June 30, 2014
32	Cafeteria Employees Association	June 30, 2014
24	Office Personnel Association	June 30, 2012 ⁽¹⁾
17	Teaching Assistants	June 30, 2014
10	Gloversville Administrative Supervisory Staff Association	June 30, 2013
5	Gloversville Non-Instructional Support Staff Association	June 30, 2013
3	Gloversville Administrative Support Staff Association	June 30, 2015

⁽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 September 18, 2012⁽¹⁾**

	Based on Conventional Equalization Rates	Based On Special Equalization Ratios
Five Year Average Full Valuation of Taxable Real Property.....	\$644,737,318	\$690,957,891
Debt Limit (5% of full valuation) ⁽²⁾	\$32,236,866	\$34,547,895
Outstanding Indebtedness ⁽³⁾		
<u>Inclusions</u>		
Bonds.....	\$64,385,000	\$64,385,000
Bond Anticipation Notes.....	\$8,654,606	8,654,606
Total Inclusions.....	<u>\$73,039,606</u>	<u>\$73,039,606</u>
<u>Exclusions</u>		
Bonds Previously Refunded.....	\$0	\$0
Appropriations.....	3,036,000	3,036,000
Total Exclusions.....	<u>\$3,036,000</u>	<u>\$3,036,000</u>
Total Net Indebtedness.....	\$70,003,606	\$70,003,606
Net Debt Contracting Margin ⁽⁴⁾	\$(37,766,740)	\$(35,455,711)
Percentage of Debt Contracting Power Exhausted ⁽⁴⁾	217.15%	202.63%

(1) The District has not incurred any indebtedness since the date of this table. The District expects to deliver \$5,970,000 School District Bonds to the Authority in connection with the refunding of \$6,805,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the percentage of debt contracting power exhausted accordingly.

(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.

(4) The District has received the consent of the Board of Regents and the Office of the State Comptroller to exceed its debt limit.

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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Fulton	\$1,810,576	\$0	\$1,810,576	27.10%	\$490,666
City of:					
Gloversville	6,131,335	160,000	5,971,335	100.00	5,971,335
Towns of:					
Johnstown	295,157	286,967	8,190	47.40	3,882
Bleecker	0	0	0	99.80	0
Caroga	0	0	0	0.70	0
Mayfield	0	0	0	0.10	0
				Total	<u>\$6,465,883</u>

- (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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$73,039,606	\$3,795.84	10.50%
Gross Indebtedness Plus Net Overlapping Indebtedness	79,505,489	4,131.87	11.43

- (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 19,242.
- (3) Based on the District's full value of taxable real estate using the special State equalization rates for 2011-12 of \$696,046,220.
- (4) The District expects to deliver \$5,970,000 School District Bonds to the Authority in connection with the refunding of \$6,805,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The District issued \$5,215,000 of Revenue Anticipation Notes in the 2007-2008 fiscal year and \$5,000,000 in the 2008-2009 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

On December 11, 2006, the District authorized the issuance of \$24,885,200 bonds to pay the cost of the construction of additions to and reconstruction of various buildings, and on December 15, 2003 authorized the issuance of \$60,310,000 to pay the cost of the acquisition of land, the construction of a transportation and maintenance facility and the construction of additions to and reconstruction of various buildings.

For the \$24,885,200 project, \$8,680,000 has been permanently financed through the Dormitory Authority of the State of New York. On January 20, 2011, the District issued \$13,564,606 bond anticipation notes, which financed the remaining amount of \$13,469,606 authorized and unissued for this project. \$4,905,000 of the notes outstanding for this project were permanently financed through the issuance of the \$5,000,000 Qualified School Construction Bonds delivered on January 18, 2012, with the remaining amount renewed with proceeds of \$8,564,606 bond anticipation notes currently outstanding and maturing January 18, 2012.

For the \$60,310,000 project, \$60,310,000 has been permanently financed through various bond issues and no authorized and unissued amount remains outstanding.

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.

City School District of the City of Gloversville
<http://emma.msrb.org/EP581977-EP455745-EP855753.pdf>
Base CUSIP: 379874

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 1. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2 to November 1. On or about November 15, 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 tables below set forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five available years.

Valuations, Rates and Tax Levy

	Assessed Valuation Years Ending June 30,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of:					
Gloversville	\$354,522,831	\$356,423,878	\$359,451,569	\$358,900,478	\$357,776,998
Towns of:					
Johnstown	139,175,174	140,895,059	140,908,155	141,518,775	141,860,359
Bleecker	97,102,722	96,779,845	97,144,445	97,282,877	97,519,540
Caroga	681,855	723,255	723,785	678,166	774,766
Mayfield	751,340	735,890	735,600	735,600	735,600
Total Assessed Valuation	<u>\$592,233,922</u>	<u>\$595,557,927</u>	<u>\$598,963,554</u>	<u>\$599,115,896</u>	<u>\$598,667,263</u>

State Equalization Rates Years Ending June 30,

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of:					
Gloversville	100.00%	100.00%	100.00%	100.00%	100.00%
Towns of:					
Johnstown	73.00	73.00	73.00	79.00	78.00
Bleecker	100.00	100.00	100.00	100.00	100.00
Caroga	53.00	45.00	45.00	44.00	44.41
Mayfield	67.00	67.00	70.00	71.00	74.00
Taxable Full Valuation	\$644,684,398	\$648,916,230	\$652,280,152	\$637,898,388	\$639,907,423

Special State Equalization Ratios⁽¹⁾ Years Ending June 30,

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of:						
Gloversville	75.19%	97.19%	97.02%	92.80%	88.84%	N/A
Towns of:						
Johnstown	72.52	72.61	78.89	77.87	76.80	N/A
Bleecker	89.60	98.75	98.78	95.80	92.77	N/A
Caroga	43.11	42.85	42.20	39.52	37.07	N/A
Mayfield	66.32	69.71	70.69	68.76	67.01	N/A
Taxable Full Valuation	\$655,322,512	\$657,448,828	\$646,698,428	\$672,597,753	\$696,046,220	N/A

⁽¹⁾ The special State equalization ratios relating to the assessed valuations of taxable real property for the year ended June 30, 2013 are not available as of the date of this Official Statement. Therefore, the special State equalization ratios relating to the taxable assessed valuations of taxable real property are provided for the years ended June 30, 2008 through 2012.

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$11,292,992	\$12,078,640	\$12,828,644	\$13,213,428	\$13,477,501
% Uncollected When Due ⁽¹⁾	13.75%	10.94%	11.04%	10.79%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$35,860,151	\$50,448,418	71.08%
2009-2010	35,453,782	51,368,338	69.02
2010-2011	34,756,344	50,295,049	69.10
2011-2012 (Unaudited)	36,513,572	51,614,500	70.74
2012-2013 (Budgeted)	36,738,093	53,970,794	68.07

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$295,127	\$1,425,138
2009-2010	379,070	1,075,110
2010-2011	468,475	1,302,569
2011-2012 (Unaudited)	750,211	1,771,648
2012-2013 (Budgeted)	888,839	2,252,182

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, 2012, 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 \$73,588,784. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$73,588,784. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$22,596,161. The District's annual OPEB expense was \$5,308,000 and is equal to the adjusted annual required contribution (ARC). The District is on a

pay-as-you-go funding basis and paid \$0 to the Plan for the fiscal year ending June 30, 2012 to 832 employees, resulting in a net increase to its unfunded OPEB obligation of \$2,646,785, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$25,242,946. 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 unaudited information from the District.

Recent Operating Results

The District’s revenues exceeded its expenditures by \$1,178,081 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$3,249,720 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.*”

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$8,029,422	\$946,865	\$824,191	\$7,906,748
2013-2014	7,913,054	917,745	794,950	7,790,259
2014-2015	7,911,779	918,395	798,750	7,792,134
2015-2016	7,711,065	716,090	606,000	7,600,975
2016-2017	7,710,953	716,388	606,500	7,601,066
2017-2018	7,674,061	716,190	611,000	7,568,871
2018-2019	7,667,965	716,315	609,250	7,560,900
2019-2020	7,673,351	716,989	611,500	7,567,862
2020-2021	7,520,791	716,104	607,500	7,412,187
2021-2022	4,921,760	715,660	607,500	4,813,600
2022-2023	4,924,225	715,550	606,250	4,814,925
2023-2024	2,621,875	716,100	603,750	2,509,525
2024-2025	1,065,075	-	-	1,065,075
2025-2026	557,200	-	-	557,200
2026-2027	561,675	-	-	561,675
2027-2028	555,250	-	-	555,250
2028-2029	561,500	-	-	561,500
2029-2030	556,500	-	-	556,500
2030-2031	560,750	-	-	560,750
2031-2032	553,750	-	-	553,750
2032-2033	556,000	-	-	556,000
2033-2034	557,000	-	-	557,000
2034-2035	561,750	-	-	561,750

**APPENDIX C-21
DESCRIPTION OF
GOWANDA CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-21 a brief description of the Gowanda 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 a land area of approximately 76 square miles, is located in the counties of Cattaraugus, Chautauqua and Erie. The District spans portions of the Townships of Collins, North Collins, Hanover, Persia, Perrysburg and Dayton. The District also provides educational services to students residing on the Cattaraugus Territory of the Seneca Nation of Indians. The cities of Buffalo and Jamestown are approximately 35 miles to the north and south of the District, respectively.

The District is largely rural residential in character with some commercial and industrial development. Most residential properties consist of single-family homes. Many residents of the District find employment locally at the Collins and Gowanda Correctional Facilities, Western New York Developmental Disabilities Services and the District.

Higher education institutions accessible to the area include State University of New York (SUNY) at Buffalo, Buffalo State College, St. Bonaventure University, SUNY at Fredonia, Canisius College, D'Youville College, Daemen College, Medaille College, Erie Community College and Jamestown Community College.

New York State Routes 39, 353 and US Route 62 pass through the Village of Gowanda and the New York State Thruway, located 12 miles to the east, provides access to the City of Buffalo, Amtrak and the Buffalo-Niagara International Airport.

Population

The current estimated population of the District is 11,537 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Gowanda Central School District	School	275
Gowanda Nursing Home	Nursing Home	255
Carrier Coach	Transportation	112
Gowanda Electronics	Manufacturing	100
Western New York DDSO	Service	40

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Fuel Gas Supply	Utility	\$19,716,219
Niagara Mohawk Power Corporation (National Grid)	Utility	6,697,503
Allegany Associates	Nursing Home	4,144,737
US Energy Development Corp.	Utility	3,269,795
New York State Electric & Gas Corp.	Utility	2,906,107

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 13.84% 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 Cattaraugus, Chautauqua and Erie Counties.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Cattaraugus County	5.2%	6.1%	8.7%	9.1%	8.7%
Chautauqua County	4.6	5.5	8.4	8.8	7.9
Erie County	4.8	5.7	8.2	8.3	7.9
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	1,424	1,402	1,406	1,346	1,263	1,263	1,294

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
135	Gowanda Teachers’ Association	June 30, 2013
115	Gowanda Non-Teachers’ Association	June 30, 2014
4	Gowanda Administrators’ Association	June 30, 2012 ⁽¹⁾
5	Gowanda Non-Teaching Supervisors’ 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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$320,273,346
Debt Limit (10% of Full Valuation)	\$32,027,335
Gross Indebtedness ⁽²⁾	\$18,787,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	<u>\$18,787,000</u>
Net Debt Contracting Margin	\$13,240,335
Percentage of Debt Contracting Power Exhausted	58.66%

- (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 \$7,920,000 School District Bonds to the Authority in connection with the refunding of \$8,749,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness</u> ⁽¹⁾	<u>Exclusions</u> ⁽²⁾	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Cattaraugus	\$45,138,065	\$8,064	\$45,130,001	4.40%	\$1,985,720
Erie	495,117,453	78,425,649	416,691,804	0.32	1,333,414
Chautauqua	54,558,652	72,000	54,486,652	0.00	0
Towns of:					
Dayton	24,000	24,000	0	42.29	0
Perrysburg	1,938,891	1,938,891	0	93.20	0
Persia	0	0	0	95.06	0
Hanover	4,889,200	4,889,200	0	0.03	0
Collins	1,459,000	1,129,000	330,000	68.46	225,918
North Collins	322,000	0	322,000	0.01	32
Village of:					
Gowanda	4,342,725	3,842,725	500,000	95.52	477,600
				Total	<u>\$4,022,684</u>

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita</u> ⁽²⁾	<u>Percentage of Full Value</u> ⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$18,787,000	\$1,628.41	5.87%
Gross Indebtedness Plus Net Overlapping Indebtedness	22,809,684	1,977.09	7.12

(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 11,537.

(3) Based on the District's full value of taxable real estate using the State equalization rates for 2012-13 of \$320,273,346.

(4) The District expects to deliver \$7,920,000 School District Bonds to the Authority in connection with the refunding of \$8,749,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

On November 10, 2009 the qualified voters of the District approved a multi-component \$6,821,593 capital improvement project. The project consists of making repairs and renovations to existing buildings as well as the construction of a new science wing at the High School and the installation of “rip-rap” to stabilize bank erosion along Thatcher Brook, a stream that runs through District property. Project construction commenced in the summer of 2010 and is expected to be complete in the fall of 2013.

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.

Gowanda Central School District
<http://emma.msrb.org/ER548637-ER425356-ER827520.pdf>
Base CUSIP: 383820

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 tax payments are due September 15 payable to October 15 without penalty in Cattaraugus and Chautauqua Counties. For property owners in Cattaraugus and Chautauqua Counties, a 2% penalty is assessed for taxes paid between October 16 and November 15. Uncollected taxes are turned over to the Cattaraugus and Chautauqua County Commissioners of Finance on November 16.

District tax payments are due September 17 payable to October 15 without penalty in Erie County. For those property owners in Erie County, a 7.5% penalty is added to taxes paid between October 16 and October 31. For taxes paid between November 1 and November 30, a 9% penalty is assessed. Uncollected taxes are turned over to the Erie County Commissioner of Finance on December 1.

The District is reimbursed by the Counties for all unpaid taxes so that it is assured of 100% collection of its tax levy each year.

Valuations, Rates and Tax Levy

The tables below set 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,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Dayton	\$20,024,217	\$20,055,339	\$20,173,018	\$20,463,095	\$20,254,457
Perrysburg	50,537,699	50,803,879	51,774,006	51,356,647	50,880,030
Persia	56,601,502	56,063,246	55,689,517	55,906,562	55,531,452
Hanover	107,309	106,409	106,140	106,140	106,140
Collins	92,840,225	92,823,772	93,050,209	93,453,975	92,864,157
North Collins	13,093	14,407	15,874	15,874	15,874
Total Assessed Valuation	<u>\$220,124,045</u>	<u>\$219,867,052</u>	<u>\$220,808,764</u>	<u>\$221,302,293</u>	<u>\$219,652,110</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Dayton	83.00%	80.00%	80.00%	80.00%	79.00%
Perrysburg	77.00	75.00	74.00	74.00	71.00
Persia	80.00	76.00	76.00	76.00	76.00
Hanover	100.00	100.00	100.00	100.00	98.00
Collins	70.00	60.00	60.00	62.00	62.00
North Collins	100.00	100.00	100.00	100.00	100.00
Taxable Full Valuation	\$293,260,110	\$321,402,211	\$323,662,521	\$319,395,241	\$320,273,346

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$4,658,246	\$4,565,081	\$4,565,081	\$4,610,732	\$4,702,947
% Uncollected When Due ⁽¹⁾	7.16%	7.51%	6.92%	7.91%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$17,733,828	\$25,860,603	68.57%
2009-2010	16,024,496	24,752,998	64.74
2010-2011	16,186,422	24,212,998	66.85
2011-2012 (Unaudited)	17,097,487	24,226,478	70.57
2012-2013 (Budgeted)	16,114,502	26,337,616	61.18

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$226,000	\$854,000
2009-2010	386,000	733,000
2010-2011	573,000	923,000
2011-2012 (Unaudited)	566,385	1,023,596
2012-2013 (Budgeted)	674,561	1,182,474

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

GASB 45 and OPEB

The District has no liability related to other post-employment benefits ("OPEB") as prescribed by GASB45 as the District does not provide health insurance to its retirees.

Recent Operating Results

The District's expenditures exceeded its revenues by \$1,200,941 in its General Fund for the fiscal year ended June 30, 2012, resulting in a reduction to the General Fund balance of \$929,108 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 as the District is due \$1,632,509 from the New York State Education Department for the balance due to educate the Native Americans who reside on the Cattaraugus territory for the fiscal year ending June 30, 2011. Had the State released the funds in a timely manner the District's Fund balance would have increased for the fiscal year ending June 30, 2012. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$2,460,103	\$1,763,265	\$1,564,989	\$2,261,827
2013-2014	2,461,354	1,763,535	1,561,850	2,259,669
2014-2015	2,465,813	1,762,900	1,557,250	2,260,163
2015-2016	2,470,095	1,763,195	1,563,000	2,269,900
2016-2017	2,472,576	1,763,145	1,560,250	2,269,681
2017-2018	1,549,449	848,530	744,250	1,445,169
2018-2019	1,559,821	848,315	745,500	1,457,006
2019-2020	485,356	-	-	485,356
2020-2021	488,006	-	-	488,006
2021-2022	484,313	-	-	484,313

**APPENDIX C-22
DESCRIPTION OF
GREECE CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-22 a brief description of the Greece 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 encompasses an area of approximately 42 square miles located in the Town of Greece in Monroe County, a suburb northwest of Rochester, New York, bordering on Lake Ontario. As the largest suburban school district in Monroe County, the District serves a predominantly residential community with a strong commercial and industrial base. The District was organized as a central school district in 1955.

Electricity and natural gas are provided to District residents by the Rochester Gas and Electric Corporation and telephone service is provided by Frontier Telephone of Rochester, Inc. Police protection is provided by the Town of Greece with assistance from the Monroe County Sheriff's Department and the New York State Police.

Transportation is provided by New York State Route 104 and interstate 390 with access to New York State Thruway at Exit 46. Rail transportation is provided by Conrail. The area is also served with air transportation at the Greater Rochester International Airport, bus lines and the State Barge Canal.

Higher educational opportunities are available at numerous State and private universities and colleges located throughout Monroe County.

Population

The current estimated population of the District is 82,633 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
University of Rochester/Strong Health	Education/Hospital	19,596
Wegmans Food Market, Inc.	Retail	14,294
Rochester General Health System	Health Care	7,514
Eastman Kodak	Photographic Supplies/Chemicals	7,100
Xerox Corporation	Photo Copying Machines	6,672

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Rochester Gas and Electric Corporation	Utility	\$142,382,363
Greece Ridge, LLC	Shopping Mall	96,632,100
Wegmans Enterprise Inc.	Shopping Center	28,643,900
Eastman Kodak Co.	Industrial	29,387,700
Elmridge Associates	Shopping Center	24,949,400

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 7.63% 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 Monroe County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Monroe County	4.5%	5.5%	7.9%	8.0%	7.6%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	13,129	12,755	12,580	12,270	11,923	12,000	12,042

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
1,034	Greece Teachers Association	June 30, 2006 ⁽¹⁾
704	Teamsters Local #118	June 30, 2013
614	Non-Unit, Comm. Education Itinerant Staff	No contract
471	Greece United Substitute Teachers Organization	June 30, 2013
367	Association of Greece Central Education Personnel	June 30, 2013 ⁽²⁾
100	Greece United Support Staff	December 31, 2012
58	Greece Administrators & Supervisors Association	December 31, 2013
27	Greece Exempt Support Staff	Individual agreements
17	Greece Teachers Association (Adult Literacy Teachers Union)	June 30, 2010 ⁽¹⁾

⁽¹⁾ Currently under negotiations.

⁽²⁾ Special Education Monitors are represented under the Association of Greece Central Educational Professionals (“AGCEP”) umbrella, but do not receive the full benefits granted to other groups represented by the AGCEP.

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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$4,154,676,822
Debt Limit (10% of Full Valuation)	415,467,682
Gross Indebtedness ⁽²⁾	\$107,346,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$107,346,000
Net Debt Contracting Margin	\$308,121,682
Percentage of Debt Contracting Power Exhausted	25.84%

(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 \$12,740,000 School District Bonds to the Authority in connection with the refunding of \$13,981,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of: Monroe	\$769,811,873	\$124,887,730	\$644,924,143	10.70%	\$69,006,883
Town of: Greece	25,554,000	1,500,000	24,054,000	86.02	20,691,251
				Total	\$89,698,134

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$107,346,000	\$1,229.07	2.58%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	197,044,134	2,384.57	4.74

- (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 82,633
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$4,154,676,822.
- (4) The District expects to deliver \$12,740,000 School District Bonds to the Authority in connection with the refunding of \$13,981,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the percentage of debt contracting power exhausted accordingly.

Cash Flow Borrowing

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

Capital Project Plans

The District is undertaking the second phase of an authorized \$21,383,375 capital project. The project includes infrastructure updates such as boiler replacements, roof replacements, HVAC system replacements, paving reconstruction, upgrades to fire and smoke detection systems, updates to exit and emergency lights and elevator replacements. The District expects the project to be completed in September 2012. On December 6, 2011 the voters approved a \$34,500,000 capital improvement project to undertake certain capital improvements consisting of the reconstruction of school buildings and facilities throughout the District. The District will expend \$4,090,000 from an existing capital project account with the balance of the authorization to be borrowed as needed.

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.

Greece Central School District
<http://emma.msrb.org/ER541460-ER419069-ER820999.pdf>
 Base CUSIP: 392460

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. A 2% penalty is added for the month of October. Taxpayers may elect a three-payment plan with payments due on September 15, October 15 and November 15. There is a .1% service charge under this plan, with an additional 1% added to payments made after the 15th of any of the three months.

On November 1 all unpaid taxes are turned over to Monroe County for relevy on County/Town tax rolls. The responsibility for collection of unpaid taxes rests with the County, which reimburses the District for uncollected taxes in April of each year. The District is thus assured of 100% collection of its annual tax levy.

Valuations, Rates and Tax Levy

The tables below set 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,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Town of:					
Greece	<u>\$4,066,070,758</u>	<u>\$4,187,825,440</u>	<u>\$4,185,743,887</u>	<u>\$4,219,129,787</u>	<u>\$4,154,676,822</u>
Total Assessed Valuation	<u>\$4,066,070,758</u>	<u>\$4,187,825,440</u>	<u>\$4,185,743,887</u>	<u>\$4,219,129,787</u>	<u>\$4,154,676,822</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Town of:					
Greece	100%	100%	100%	100%	100%
Taxable Full Valuation	\$4,066,070,758	\$4,187,825,440	\$4,185,743,887	\$4,219,129,787	\$4,154,676,822

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$93,258,592	\$90,875,140	\$94,359,045	\$96,231,640	\$97,143,421
% Uncollected When Due ⁽¹⁾	2.68%	2.33%	2.56%	2.42%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$84,046,734	\$187,318,819	44.87%
2009-2010	75,972,498	191,294,412	39.71
2010-2011	71,691,086	186,300,355	38.48
2011-2012 (Unaudited)	73,205,347	186,841,104	39.18
2012-2013 (Budgeted)	74,842,918	199,074,055	37.60

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$2,065,926	\$6,155,117
2009-2010	2,236,894	5,091,389
2010-2011	3,532,531	7,016,677
2011-2012 (Unaudited)	3,647,314	8,147,594
2012-2013 (Budgeted)	4,592,023	8,734,824

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

GASB 45 and OPEB

The District contracted with the Burke Group to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$68,560,807. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$68,560,807. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$5,473,880. The District's annual OPEB expense was \$4,862,527 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$2,656,773 to the Plan for the fiscal year ending June 30, 2012 to 2,207 participants, resulting in a net increase to its unfunded OPEB obligation of \$2,205,754, for the fiscal year ending June 30, 2012 total net unfunded OPEB obligation is \$7,679,634. The aforementioned liability and ARC will be 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$12,116,156 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$7,068,082 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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⁾

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$13,137,791	\$1,996,365	\$1,776,897	\$12,918,323
2013-2014	13,190,154	1,994,890	1,780,750	12,976,014
2014-2015	12,949,244	1,995,730	1,780,500	12,734,014
2015-2016	12,520,644	1,995,555	1,777,250	12,302,339
2016-2017	12,536,089	1,996,200	1,786,000	12,325,889
2017-2018	12,551,329	1,995,390	1,781,000	12,336,939
2018-2019	12,653,089	1,996,025	1,782,750	12,439,814
2019-2020	11,492,315	1,996,145	1,785,750	11,281,920
2020-2021	8,694,266	1,995,540	1,779,750	8,478,476
2021-2022	6,680,538			6,680,538
2022-2023	6,659,500			6,659,500
2023-2024	3,661,275			3,661,275
2024-2025	1,403,500			1,403,500
2025-2026	805,800			805,800

⁽¹⁾ Schedule does not include remaining payments of \$3,314,687 due under an energy performance contract.

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**APPENDIX C-23
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF JAMESTOWN**

There follows in this Appendix C-23 a brief description of the City School District of the City of Jamestown (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 at the southeastern end of Chautauqua Lake in Chautauqua County and has an area of approximately 19 square miles. The District incorporates all of the City of Jamestown, a major portion of the Town of Kiantone, and lesser portions of the Towns of Busti, Ellicott and Carroll.

The City of Jamestown has become the business and financial center for southwestern New York State and a considerable portion of northwestern Pennsylvania. It has long been known as a furniture and woodworking center but in recent years has been successful in attracting diversified industries as well.

The District’s proximity to Chautauqua Lake and the world renowned Chautauqua Institution further enhances the region as a popular summertime resort area.

Transportation needs are adequately provided for by the nearby Chautauqua Airport, the Southern Tier Expressway, as well as numerous modern highways, two railway systems and bus transportation.

Population

The current estimated population of the District is 29,355 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
WCA Hospital	Hospital	1,560
Jamestown City School District	Public Education	986
The Resource Center	Health Care	865
City of Jamestown	Local Government	562
MRC Bearings	Manufacturing	450

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Fuel	Utility	\$16,161,237
Windstream	Utility	9,278,135
Shults	Auto Dealer	6,449,100
REHC 5 LLC	Professional Building	6,374,500
DDR Jamestown Plaza, Inc.	Retail	5,950,100

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 8.33% 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 Jamestown City and Chautauqua County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Jamestown City	4.9%	6.0%	9.8%	9.6%	8.3%
Chautauqua County	4.6	5.5	8.4	8.8	7.9
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	4,976	5,202	5,138	5,234	5,184	5,211	5,229

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
483	Jamestown Teachers' Association	June 30, 2014
139	Association of Jamestown Paraprofessionals	June 30, 2013
116	Jamestown Support Staff Association	June 30, 2013
49	Jamestown Educational Support Personnel	June 30, 2014
31	International Brotherhood of Electrical Workers	June 30, 2014
22	Administrators/Confidential/Independents	June 30, 2013
15	Jamestown Principals' Association	June 30, 2012 ⁽¹⁾
6	Jamestown Coordinators' 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 September 18, 2012⁽¹⁾	Based on Conventional Equalization Rates	Based On Special Equalization Ratios
Five Year Average Full Valuation of Taxable Real Property.....	\$749,085,957	\$756,484,656
Debt Limit (5% of full valuation) ⁽²⁾	37,454,298	37,824,233
Outstanding Indebtedness		
<u>Inclusions</u>		
Bonds.....	\$76,167,087	\$76,167,087
Bond Anticipation Notes.....	6,000,000	6,000,000
Total Inclusions.....	<u>\$82,167,087</u>	<u>\$82,167,087</u>
<u>Exclusions</u>		
Bonds Previously Refunded.....	\$11,345,000	\$11,345,000
Appropriations.....	7,976,000	7,976,000
Total Exclusions.....	<u>\$19,321,000</u>	<u>\$19,321,000</u>
Total Net Indebtedness.....	\$62,846,087	\$62,846,087
Net Debt Contracting Margin ⁽³⁾	(\$25,391,789)	(\$25,021,854)
Percentage of Debt Contracting Power Exhausted	167.79%	166.15%

(1) The District has not incurred any indebtedness since the date of this table. The District expects to deliver \$1,955,000 School District Bonds to the Authority in connection with the refunding of \$1,959,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the percentage of debt contracting power exhausted accordingly.

(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) The District received a consent order by the Office of State Comptroller on May 1, 2001 which allowed debt of \$17,900,000 to be issued in its entirety in excess of the Constitutional Debt Limit. The full \$17,900,000 has been issued. The District also received a consent order dated March 7, 2006 by the Office of the State Comptroller which allows debt of \$59,000,000 to be issued. The full \$59,000,000 has been issued. The District also received a consent order dated April 17, 2012 by the Office of the State Comptroller which allows debt of \$68,000,000 to be issued.

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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Chautauqua	\$54,558,652	\$72,000	\$54,486,652	15.52%	\$8,456,328
City of:					
Jamestown	36,887,112	36,887,112	0	100.00	0
Towns of:					
Busti	2,175,500	2,175,500	0	5.55	0
Carroll	0	0	0	0.05	0
Ellicott	1,110,522	740,870	369,652	2.34	8,650
Kiantone	0	0	0	54.84	0
				Total:	\$8,464,978

(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 and other certificates issued by the State Comptroller.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of September 18, 2012.

Debt Ratios As of September 18, 2012⁽¹⁾

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$82,167,087	\$2,799.08	10.91%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	90,632,065	3,087.45	12.03

(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 29,355.

(3) Based on the District's full value of taxable real estate using the special State equalization rates for 2011-2012 of \$753,412,815.

(4) The District expects to deliver \$1,955,000 School District Bonds to the Authority in connection with the refunding of \$1,959,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

The District currently has an outstanding authorized bond resolution, approved by the voters on November 14, 2011 in the amount of \$62,000,000. The District plans on issuing bonds and/or bond anticipation notes over the next couple of years to finance the authorized but unissued 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 Jamestown.
<http://emma.msrb.org/ER532393-ER411304-ER813173.pdf>
 Base CUSIP: 470592

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 1. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2 to November 1. On or about November 15, 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 tables below set forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five available years. Such valuations and levy for the year ended June 30, 2013 are not available as of the date of this Official Statement. Therefore, such valuations and levy are provided for the years ended June 30, 2008 through 2012.

Valuations, Rates and Tax Levy

	Assessed Valuation				
	Years Ending June 30,				
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Towns of:					
Jamestown	\$677,785,739	\$677,971,739	\$678,014,281	\$678,014,281	\$673,164,123
Busti	24,353,035	24,353,035	25,298,974	25,298,974	25,443,055
Carroll	47,350	47,350	51,600	51,600	51,600
Ellicott	9,502,700	9,502,700	10,628,335	10,628,335	10,569,399
Kiantone	<u>36,248,109</u>	<u>36,248,109</u>	<u>35,896,091</u>	<u>35,896,091</u>	<u>36,540,559</u>
Total Assessed					
Valuation	<u><u>\$747,936,933</u></u>	<u><u>\$748,122,933</u></u>	<u><u>\$749,889,281</u></u>	<u><u>\$749,889,281</u></u>	<u><u>\$745,768,736</u></u>

**State Equalization Rates
Years Ending June 30,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Towns of:					
Jamestown	100.00%	100.00%	100.00%	100.00%	100.00%
Busti	100.00	100.00	100.00	100.00	100.00
Carroll	100.00	100.00	100.00	100.00	100.00
Ellicott	100.00	100.00	100.00	100.00	100.00
Kiantone	93.00	100.00	99.00	99.00	99.00
Taxable Full Valuation	\$750,665,285	\$748,122,933	\$750,251,868	\$750,251,868	\$746,137,833

**Special State Equalization Ratios
Years Ending June 30,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Towns of:					
Jamestown	98.33%	98.10%	100.12%	99.78%	99.12%
Busti	98.48	98.29	100.32	100.37	100.09
Carroll	93.04	93.22	99.88	97.62	95.22
Ellicott	92.93	96.16	100.12	97.36	95.32
Kiantone	90.02	98.87	98.48	97.69	96.90
Taxable Full Valuation	\$764,569,188	\$762,474,770	\$749,537,306	\$752,429,202	\$753,412,815

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$13,944,132	\$13,944,132	\$14,641,567	\$14,641,567	\$14,641,567	\$14,641,567
% Uncollected When Due ⁽¹⁾	12.1%	11.5%	13.0%	14.0%	5.3%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$56,488,996	\$73,766,849	76.58%
2009-2010	53,726,319	72,390,620	74.22
2010-2011	53,363,290	71,946,018	74.17
2011-2012 (Unaudited)	53,778,320	71,940,051	74.75
2012-2013 (Budgeted)	56,395,625	76,795,692	73.44

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$761,064	\$2,377,469
2009-2010	707,269	1,978,582
2010-2011	1,286,471	2,661,279
2011-2012 (Unaudited)	1,248,659	3,253,101
2012-2013 (Budgeted)	1,529,306	3,615,680

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

GASB 45 and OPEB

The District contracted with Lumsden & McCormick, LLP 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 \$10,852,532. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$10,852,532. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was \$757,645. The District's annual OPEB expense was \$1,190,656 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$1,356,425 to the Plan for the fiscal year ending June 30, 2011 to a \$43,722,640 payroll, resulting in a net decrease to its unfunded OPEB obligation of \$165,769, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of \$591,876. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the 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 \$1,291,067 in its General Fund for the fiscal year ended June 30, 2012, resulting in a General Fund balance of \$10,296,869 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$10,070,406	\$1,502,948	\$1,463,257	\$10,030,715
2013-2014	10,860,906	593,168	571,250	10,838,989
2014-2015	7,553,485	-	-	7,553,485
2015-2016	7,542,729	-	-	7,542,729
2016-2017	7,517,318	-	-	7,517,318
2017-2018	7,524,986	-	-	7,524,986
2018-2019	7,522,491	-	-	7,522,491
2019-2020	7,501,484	-	-	7,501,484
2020-2021	7,512,738	-	-	7,512,738
2021-2022	7,510,884	-	-	7,510,884
2022-2023	3,317,861	-	-	3,317,861
2023-2024	1,203,206	-	-	1,203,206
2024-2025	1,205,206	-	-	1,205,206
2025-2026	1,200,396	-	-	1,200,396
2026-2027	1,203,389	-	-	1,203,389

**APPENDIX C-24
DESCRIPTION OF
LAKE PLEASANT CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-24 a brief description of the Lake Pleasant 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 situated in upstate New York in the central portion of the Adirondack Park in Hamilton County, about 40 miles northwest of the City of Glens Falls. The District encompasses approximately 200 square miles.

Passenger rail service by Amtrak is available in Glens Falls by the Amtrak New York-Montreal line. Air transportation is provided by the Glens Falls and Albany International Airports. Major highways in, and in close proximity to, the District include State Routes #8 and #30, and a network of local roadways.

Police protection is provided by the New York State police, and the County Sheriff's Office. Fire protection service is provided by the Speculator Volunteer Fire Department and by other local volunteer units. Ambulance service is also provided by volunteer units.

Population

The current estimated population of the District is 781 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Gospel Volunteers	Bible Retreat	290
Hamilton County	Municipal Offices	100
Sunmount Developmental Facility	Disabled Care Facility	67
Lake Pleasant Central School District	Public Education	39
Vogel Construction	Construction/Excavation	32

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
New York State	Forest Lands	\$133,220,575
Lyme Timberlands	Forest Lands	9,573,075
International Paper (Hamilton Lake)	Corporate Resort	7,313,300
Lake Pleasant Park	Seasonal Trailer Community	2,591,000
Camp Merryland	Seasonal Cabin Community	2,335,100

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 36.1% 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 Hamilton County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Hamilton County	4.8%	6.2%	7.6%	8.4%	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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>Projected 2013-14</u>
K-12	121	120	118	127	105	121	129

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
18	Lake Pleasant Teachers' Association	June 30, 2011 ⁽¹⁾
17	Lake Pleasant Central School Non-Instructional Employees Association	June 30, 2011 ⁽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 September 18, 2012⁽¹⁾

Full Valuation of Taxable Real Property	\$457,325,470
Debt Limit (10% of Full Valuation)	45,732,547
Gross Indebtedness ⁽²⁾	\$4,069,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$4,069,000
Net Debt Contracting Margin	\$41,663,547
Percentage of Debt Contracting Power Exhausted	8.90%

(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 \$660,000 School District Bonds to the Authority in connection with the refunding of \$724,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Hamilton	\$0	\$0	\$0	14.83%	\$0
Town of:					
Lake Pleasant	320,000	0	320,000	99.03	316,896
Village of:					
Speculator	2,031,798	1,983,495	48,303	100.00	48,303
				Total	\$365,199

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$4,069,000	\$5,209.99	0.89%
Gross Indebtedness Plus Net Overlapping Indebtedness	4,434,199	5,677.59	0.97

- (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 781.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$457,325,470.
- (4) The District expects to deliver \$660,000 School District Bonds to the Authority in connection with the refunding of \$724,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

There are no other projects authorized at the present time, or 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.

Lake Pleasant Central School District
<http://emma.msrb.org/EP596934-EP466855-EP866963.pdf>
 Base CUSIP: 510552

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 1. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 2 to November 1. On or about November 15, 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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Town of:					
Lake Pleasant	\$380,541,840	\$460,403,184 ⁽¹⁾	\$456,305,357	\$462,196,978	\$457,325,470
Total Assessed Valuation	<u>\$380,541,840</u>	<u>\$460,403,184</u>	<u>\$456,305,357</u>	<u>\$462,196,978</u>	<u>\$457,325,470</u>

⁽¹⁾ Significant change due to townwide revaluation.

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Town of:					
Lake Pleasant	78.90%	100.00% ⁽¹⁾	100.00%	100.00%	100.00%
Taxable Full Valuation	\$482,309,062	\$460,403,184	\$456,305,357	\$462,196,978	\$457,325,470

⁽¹⁾ Significant change due to townwide revaluation.

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$2,968,997	\$3,150,033	\$3,195,742	\$3,318,593	\$3,401,000
% Uncollected When Due ⁽¹⁾	3.4%	3.3%	3.5%	3.5%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$600,379	\$3,789,715	15.84%
2009-2010	579,628	3,995,208	14.51
2010-2011	565,495	3,970,991	14.24
2011-2012 (Unaudited)	571,832	4,076,509	14.02
2012-2013 (Budgeted)	547,790	4,130,990	13.26

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$30,794	\$86,767
2009-2010	26,957	114,913
2010-2011	55,307	78,778
2011-2012 (Unaudited)	68,127	150,582
2012-2013 (Budgeted)	123,000	229,530

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, 2012, 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 \$4,503,828. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$4,503,828. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$385,592. The District's annual OPEB expense was \$492,572 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$49,330 to the Plan for the fiscal year ending June 30, 2012 to 44 employees, resulting in a net increase to its unfunded OPEB obligation of \$443,242, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$792,959. 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$88,986 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$713,648 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*."

Note: This information has been developed pursuant to unaudited information from the District.

Historical Continuing Disclosure Compliance

The District has one instance of failing to comply with a prior continuing disclosure agreement as a result of making a late filing to the MSRB as required by Rule 15c2-12. In 2011, the District filed its audited financial statements for the year ended June 30, 2007 three years late. The District has certified to the Authority that it is otherwise in the previous five years complied, in all material respects, with any previous undertakings pursuant to Rule 15c2-12.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$491,158	\$19,094	\$13,347	\$485,411
2013-2014	490,891	66,354	61,370	485,907
2014-2015	496,470	65,658	60,320	491,132
2015-2016	486,038	65,875	58,970	479,133
2016-2017	489,294	65,006	57,470	481,758
2017-2018	488,089	65,051	60,845	483,883
2018-2019	487,511	66,024	59,095	480,582
2019-2020	490,490	65,928	57,345	481,907
2020-2021	487,468	65,724	60,470	482,214
2021-2022	66,386	66,386	58,470	58,470
2022-2023	65,913	65,913	56,470	56,470
2023-2024	65,425	65,425	59,345	59,345
2024-2025	65,900	65,900	57,095	57,095
2025-2026	65,250	65,250	54,845	54,845
2026-2027	65,475	65,475	57,470	57,470
2027-2028	65,550	65,550	59,845	59,845
2028-2029	65,475	65,475	61,970	61,970
2029-2030	8,700	8,700	5,393	5,393
2030-2031	10,250	10,250	10,158	10,158

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**APPENDIX C-25
DESCRIPTION OF
LIBERTY CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-25 a brief description of the Liberty 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 about 95 square miles, is located in the north-central portion of Sullivan County. The District centers around the Incorporated Village of Liberty and encompasses portions of six towns. The Village of Liberty comprises almost 85% of the District with the Towns of Bethel (10.7%), Fallsburg (2.7%) and Neversink, Rockland and Thompson making up the balance.

The District is primarily rural in nature. In the Town of Liberty, almost 75% of the land area is undeveloped forest and another 10% is devoted to various agricultural uses. Commercial enterprises are centered in the Village of Liberty and in various unincorporated communities. Residential properties are mainly single-family homes, with some apartment complexes. Residents find employment in the resort-oriented businesses, commercial and light industrial enterprises located in the District, as well as in Monticello and Port Jervis.

Bus transportation is provided to New York City and Binghamton, both of which are approximately 100 miles from the District to the south and north, respectively. Highways include New York State Route 17 (the Quickway), as well as a network of town and county roads.

Population

The current estimated population of the District is 10,644 (2010 U.S. Census Bureau estimate).

Five Largest Employers

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

<u>Name</u>	<u>Type</u>	<u>Employees</u> ⁽¹⁾
Center for Discovery (Sullivan Diagnostic Treatment Center)	Health Services	1,200
Sullivan County	Governmental	1,135
Catskill Regional Medical Center	Hospital	930
Monticello Central School District	Public School	772
Sullivan County Association for Retarded Children	Housing & Workshops	525

⁽¹⁾ Some Employee figures include part-time positions.

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
New York State Electric and Gas Corporation	Utility	\$13,836,737
Sullivan Resorts	Resort Hotel	5,108,200
Liberty Mall Associates	Commercial	4,449,000
Verizon	Utility	4,544,775
170 Lake Street LLC	Commercial	4,042,200

The total estimated assessed valuation of the top **ten (10)** taxpayers represents approximately 8.11% 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 Sullivan County.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Sullivan County	5.3%	6.5%	8.8%	9.3%	9.1%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	1,717	1,686	1,618	1,557	1,537	1,612	1,627

District Employees

The District provides services with approximately 307 employees, union and non-union. 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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
159	Liberty Faculty Association	June 30, 2016
59	Liberty School Employees Association	June 30, 2013
52	Liberty Aides, Monitors and Assistants	June 30, 2008 ⁽¹⁾
6	Liberty Administrators Association	June 30, 2017

⁽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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$705,945,899
Debt Limit (10% of Full Valuation)	70,594,590
Gross Indebtedness ⁽²⁾	\$29,268,734
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$29,268,734
Net Debt Contracting Margin	\$41,325,856
Percentage of Debt Contracting Power Exhausted	41.46%

(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 \$1,870,000 School District Bonds to the Authority in connection with the refunding of \$1,979,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness</u> ⁽¹⁾	<u>Exclusions</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Sullivan	\$97,535,796	\$13,205,796	\$84,330,000	9.09%	\$7,665,597
Towns of:					
Bethel	6,429,200	0	6,429,200	11.38	731,643
Fallsburg	11,680,282	3,737,703	7,942,579	2.78	220,804
Liberty	4,962,762	2,850,262	2,112,500	94.97	2,006,241
Neversink	0	0	0	0.61	0
Rockland	1,055,000	415,000	640,000	1.20	7,680
Thompson	7,991,480	4,552,280	3,439,200	0.35	12,037
Village of:					
Liberty	5,116,036	4,505,431	610,605	100.00	610,605
				Total	<u>\$11,254,607</u>

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

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita</u> ⁽²⁾	<u>Percentage of Full Value</u> ⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$29,268,734	\$2,749.79	4.15%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	40,523,341	3,807.15	5.74

⁽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 10,644.
⁽³⁾ Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of \$705,945,899.
⁽⁴⁾ The District expects to deliver \$1,870,000 School District Bonds to the Authority in connection with the refunding of \$1,979,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The District has not issued Tax or Revenue Anticipation Notes for the last 7 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 system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

Liberty Central School District
<http://emma.msrb.org/EP587823-EP460431-EP860471.pdf>
 Base CUSIP: 531121

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 October 31st and a 3% penalty is charged from November 1st to November 15th. 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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Bethel	\$50,902,114	\$51,980,957	\$52,569,407	\$51,498,001	\$51,631,042
Fallsburg	14,301,928	14,277,997	14,393,153	14,315,690	14,035,864
Liberty	436,704,546	443,848,998	446,765,168	445,038,099	446,366,672
Neversink	188,248	193,664	196,682	199,665	204,052
Rockland	3,046,870	3,048,596	3,012,558	2,988,937	3,060,638
Thompson	2,774,685	3,254,795	3,255,755	3,256,823	3,286,987
Total Assessed Valuation	<u>\$507,918,391</u>	<u>\$516,605,007</u>	<u>\$520,192,723</u>	<u>\$517,297,215</u>	<u>\$518,585,255</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Bethel	46.00%	45.31%	52.00%	58.00%	62.00%
Fallsburg	49.00	49.00	50.00	56.00	61.00
Liberty	63.09	63.91	67.96	72.61	76.25
Neversink	3.90	3.56	3.65	3.72	3.77
Rockland	55.00	56.00	60.00	65.00	65.00
Thompson	65.50	64.75	71.60	78.10	79.39
Taxable Full Valuation	\$846,640,145	\$854,263,012	\$802,232,244	\$741,404,873	\$705,945,899

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$17,935,438	\$17,606,520	\$17,869,379	\$18,243,697	\$18,608,571
% Uncollected When Due ⁽¹⁾	16.0%	19.0%	19.0%	18.0%	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 four completed fiscal years and the budgeted figures for the current fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$18,522,657	\$38,436,003	48.19%
2009-2010	18,405,870	39,337,648	46.79
2010-2011	18,735,532	39,404,565	47.55
2011-2012 (Unaudited)	18,788,629	38,441,947	48.88
2012-2013 (Budgeted)	19,053,436	38,693,672	49.24

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$253,556	\$1,223,493
2009-2010	259,656	1,341,525
2010-2011	386,988	1,223,493
2011-2012 (Unaudited)	519,955	2,044,844
2012-2013 (Budgeted)	565,608	2,080,000

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

GASB 45 and OPEB

The District subscribes to the Capital Region 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 \$39,756,250. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$39,756,250. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$7,297,912. The District's annual OPEB expense was \$3,305,560 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$1,381,712 to the Plan for the fiscal year ending June 30, 2011 to 133 employees, resulting in a net increase to its unfunded OPEB obligation of \$2,233,496, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of \$9,531,408. 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 unaudited information from the District.

Recent Operating Results

The District estimates that revenues exceeded expenditures by \$508,543 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$2,252,476 at the end of the fiscal year. At this time the District does not have unaudited results for the year ending June 30, 2012. However, 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$2,935,555	\$140,011	\$115,871	\$2,911,415
2013-2014	2,925,533	374,874	334,275	2,884,934
2014-2015	2,758,657	374,860	340,250	2,724,047
2015-2016	2,749,709	374,926	338,950	2,713,733
2016-2017	2,744,209	373,986	336,200	2,706,423
2017-2018	2,739,133	374,040	337,950	2,703,043
2018-2019	2,744,081	374,846	343,925	2,713,160
2019-2020	2,367,152	-	-	2,367,152
2020-2021	2,373,746	-	-	2,373,746
2021-2022	2,288,073	-	-	2,288,073
2022-2023	2,296,246	-	-	2,296,246
2023-2024	2,302,134	-	-	2,302,134
2024-2025	2,065,648	-	-	2,065,648

**APPENDIX C-26
DESCRIPTION OF
LONGWOOD CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-26 a brief description of the Longwood 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 on Long Island in the central portion of the Town of Brookhaven, County of Suffolk, approximately 60 miles east of mid-town Manhattan. The District has a land area of approximately 55 square miles. The District provides public education in grades K-12 to resident students. The communities of Coram, Middle Island, Ridge, Yaphank, Gordon Heights, and Lake Panamoka are served by the District.

The District is composed primarily of single-family residential housing with some garden apartments and condominiums. Commercial activity is located along the major thoroughfares and downtown retail centers. Employment opportunities are available to residents throughout Nassau and Suffolk Counties, with some commuting to New York City. There is a significant amount of developable vacant land within the District which has led to residential and commercial growth.

The Brookhaven National Laboratory, a physics research facility, is located within the District and employs approximately 3,000.

Population

The current estimated population of the District is 65,435 (2010 U.S. Census Bureau estimate).

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Long Island Power Authority	Utility	\$76,522,637
Avalonbay Communities Inc.	Apartments	68,659,890
North Isle Village, Inc.	Apartments	53,241,758
Stonehurst III Assoc.	Apartments	36,923,077
KeySpan	Utility	31,603,297

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 6.6% 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 Suffolk County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Suffolk County	3.9%	5.0%	7.4%	7.6%	7.4%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	9,316	9,296	9,289	9,153	9,064	9,110	9,096

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
753	Longwood Teachers Association	June 30, 2013
519	Civil Service Employees Association	June 30, 2014
29	Longwood Administrators Association	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$5,732,125,714
Debt Limit (10% of Full Valuation)	573,212,571
Gross Indebtedness ⁽²⁾	\$98,481,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$98,481,000
Net Debt Contracting Margin	\$474,731,571
Percentage of Debt Contracting Power Exhausted	17.18%

(1) The District has not incurred any indebtedness since the date of this table. The District expects to issue \$32,000,000 Tax Anticipation Notes on October 10, 2012 maturing June 27, 2013.

(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 \$44,855,000 School District Bonds to the Authority in connection with the refunding of \$49,591,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness</u>	<u>Exclusions⁽¹⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Suffolk	\$2,035,899,975	\$422,862,112	\$1,613,037,863	2.27%	\$36,615,959
Town of:					
Brookhaven	510,521,108	6,085,068	504,436,040	10.79	54,428,649
Fire Districts					
Coram	2,515,000	0	2,515,000	100.00	2,515,000
Middle Island	0	0	0	100.00	0
Ridge	900,000	0	900,000	100.00	900,000
Yaphank	2,775,000	0	2,775,000	100.00	2,775,000
Gordon Heights	25,000	0	25,000	100.00	25,000
				Total	\$97,259,608

(1) Sewer and water debt.

Debt Ratios

The table below sets forth certain ratios relating to the District's indebtedness as of September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$98,481,000	\$1,505.02	1.72%
Gross Indebtedness Plus Net Overlapping Indebtedness	195,740,608	2,991.37	3.41

- (1) The District has not incurred any indebtedness since the date of the above table. The District expects to issue \$32,000,000 Tax Anticipation Notes on October 10, 2012 maturing June 27, 2013.
- (2) Based on the District's current estimated population of 65,435.
- (3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of \$5,732,125,714.
- (4) The District expects to deliver \$44,855,000 School District Bonds to the Authority in connection with the refunding of \$49,591,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The following is a history of Tax Anticipation Note ("TAN") and Revenue Anticipation Note borrowings for the last four years and the expected TAN borrowing for the current year.

<u>Fiscal Year</u>	<u>Amount</u>	<u>Type</u>	<u>Issue Date</u>	<u>Due Date</u>
2008-2009	\$33,000,000	TAN	9/24/08	6/26/09
2009-2010	25,000,000	TAN	9/24/09	6/25/10
2010-2011	29,000,000	TAN	10/7/10	6/24/11
2011-2012	32,000,000	TAN	10/12/11	6/27/12
2012-2013	32,000,000	TAN	10/10/12	6/27/13

Capital Project Plans

On March 6, 2012, voters of the District approved a bond proposition authorizing the construction of various energy efficiency improvements and other capital improvements to District facilities at the estimated maximum cost of \$27,283,000. The project will be funded by the issuance of \$23,261,833 serial bonds and \$4,021,167 from the Capital Reserve Fund. It is currently anticipated that the District will commence funding the project during its 2012-2013 fiscal 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.

Longwood Central School District
<http://emma.msrb.org/ER528839-ER408640-ER810443.pdf>
 Base CUSIP: 543364

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

Property taxes for the District, together with town and County taxes are collected by the town tax receiver. Such taxes are due and payable in equal installments on December 1st and May 10th, but may be paid without penalty by January 10th and May 31st, respectively. Penalties on unpaid taxes are 1% per month from the date such taxes are due and payable and 10% after May 31st.

The District receives its full levy before the end of the fiscal year on June 30th. Uncollected amounts are not segregated by the town tax receivers, and any deficiency in tax collection is the County's liability under the Suffolk County Tax Act.

Valuations, Rates and Tax Levy

The tables below set forth the assessed and full valuations of taxable real property and the District's real property tax levy for the last five available years. Such assessed and full valuations for the year ended June 30, 2013 are not available as of the date of this Official Statement. Therefore, such valuations and levy are provided for the years ended June 30, 2008 through 2012.

Valuations, Rates and Tax Levy

	Assessed Valuation Years Ending June 30,				
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Town of:					
Brookhaven	\$54,627,793	\$54,077,370	\$53,443,786	\$52,599,043	\$52,162,344
Total Assessed Valuation	<u>\$54,627,793</u>	<u>\$54,077,370</u>	<u>\$53,443,786</u>	<u>\$52,599,043</u>	<u>\$52,162,344</u>

	State Equalization Rates Years Ending June 30,				
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Town of:					
Brookhaven	0.70%	0.73%	0.77%	0.86%	0.91%
Taxable Full Valuation	\$7,803,970,429	\$7,407,858,904	\$6,940,751,428	\$6,116,167,790	\$5,732,125,714

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Total Tax Levy	\$103,232,462	\$107,190,468	\$109,101,061	\$111,456,855	\$115,856,855
% Uncollected When Due ⁽¹⁾	0.0%	0.0%	0.0%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$84,973,526	\$196,071,266	43.34%
2009-2010	75,779,169	197,250,070	38.42
2010-2011	74,434,884	193,450,670	38.48
2011-2012 (Budgeted)	72,347,351	205,600,000	35.19
2012-2013 (Budgeted)	74,418,556	212,300,000	35.05

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$1,511,958	\$5,766,585
2009-2010	1,535,975	6,898,215
2010-2011	2,756,210	5,949,616
2011-2012 (Budgeted)	2,545,218	9,094,404
2012-2013 (Budgeted)	2,536,623	9,969,290

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, 2012, 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 \$222,172,813. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$222,172,813. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$58,062,067. The District's annual OPEB expense was \$16,734,989 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$6,112,520 to the Plan for the fiscal year ending June 30, 2012 to 600 employees, resulting in a net increase to its unfunded OPEB obligation of \$10,622,469, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$68,684,536. 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 unaudited information from the District.

Recent Operating Results

The District’s expenditures exceeded its revenues by \$766,373 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$8,492,000 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.*”

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$13,051,012	\$6,728,529	\$5,707,288	\$12,029,770
2013-2014	12,963,297	8,441,464	7,422,350	11,944,183
2014-2015	12,629,007	8,099,274	7,087,000	11,616,733
2015-2016	12,616,748	8,097,941	7,081,750	11,600,557
2016-2017	12,615,977	8,097,944	7,083,000	11,601,033
2017-2018	12,611,306	8,098,074	7,079,750	11,592,982
2018-2019	10,257,632	5,752,599	4,989,000	9,494,033
2019-2020	6,845,928	5,752,796	4,991,250	6,084,382
2020-2021	2,979,599	1,887,266	1,622,250	2,714,583
2021-2022	1,095,132	-	-	1,095,132
2022-2023	1,091,332	-	-	1,091,332
2023-2024	1,094,625	-	-	1,094,625

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**APPENDIX C-27
DESCRIPTION OF
MAINE-ENDWELL CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-27 a brief description of the Maine-Endwell 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 geographical location known as the Southern Tier. Three-quarters of its valuation is in the Town of Union, Broome County. The District is seated in the unincorporated area of Endwell, 10 miles west of the City of Binghamton. The District encompasses an area of approximately 50 square miles.

Population

The current estimated population of the District is 14,988 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
United Health Services	Healthcare	3,300
Lockheed Martin	Systems Integration	3,000
Broome County Government	Government	2,500
Binghamton University	Education	2,300
Lourdes Hospital	Healthcare	2,300

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
New York State Electric & Gas Corporation	Utility	\$14,376,302
Visions Federal Credit Union	Commercial	4,651,518
Amphenol Interconnect	Industrial	2,813,620
Roger Mead	Commercial	2,808,905
Binghamton Country Club	Private Club	2,762,111

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 5.06% 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 Broome and Tioga Counties.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Broome County	4.5%	5.6%	8.3%	8.9%	8.5%
Tioga County	4.8	5.3	8.2	8.2	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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	Projected <u>2013-14</u>
K-12	2,680	2,665	2,589	2,604	2,615	2,595	2,600

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
221	Maine-Endwell Teachers' Association	June 30, 2013
100	Clerical Association – Civil Service Employees Association	June 30, 2013
45	Maine-Endwell Transportation Unit	June 30, 2013
34	Maine-Endwell Custodial & Maintenance Association	June 30, 2014
23	Maine-Endwell School Lunch	June 30, 2012 ⁽¹⁾
12	Maine-Endwell Administrators	June 30, 2015

⁽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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$744,671,799
Debt Limit (10% of Full Valuation)	74,467,180
Gross Indebtedness ⁽²⁾	\$21,325,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$21,325,000
Net Debt Contracting Margin	\$53,142,180
Percentage of Debt Contracting Power Exhausted	28.64%

(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 \$5,645,000 School District Bonds to the Authority in connection with the refunding of \$6,272,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Broome	\$199,915,569	\$40,874,911	\$159,040,658	8.12%	\$12,914,101
Tioga	11,185,000	2,185,000	9,000,000	0.49	44,100
Towns of:					
Maine	845,717	0	845,717	84.03	710,656
Nanticoke	170,765	0	170,765	3.40	5,806
Newark Valley	0	0	0	2.77	0
Owego	9,954,640	2,532,000	7,422,640	0.85	63,092
Union	5,138,039	328,839	4,809,200	19.98	960,878
Fire District:					
Endwell	1,220,000	0	1,220,000	100.00	1,220,000
				Total	\$15,918,634

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$21,325,000	\$1,422.80	2.86%
Gross Indebtedness Plus Net Overlapping Indebtedness	37,243,634	2,484.90	5.00

(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 14,988.

(3) Based on the District's full value of taxable real estate using the State equalization rates for 2012-2013 of \$744,671,799.

(4) The District expects to deliver \$5,645,000 School District Bonds to the Authority in connection with the refunding of \$6,272,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

On April 4, 2007, the Board of Education of the District adopted a bond resolution authorizing the issuance of \$52,200,000 serial bonds to finance certain capital improvements consisting of acquisition of land, expansion and construction to and reconstruction and renovation of, school buildings and facilities and a bond resolution duly adopted by the Board of Education on January 8, 2009 authorizing the issuance of \$5,800,000 serial bonds to finance additional improvements including a new pool addition at the District's High School.

On April 15, 2010, the District issued \$47,165,843 serial bonds, which together with \$250,000 in available funds, refunded \$34,850,000 bond anticipation notes and provided \$12,535,843 new monies for construction.

On June 28, 2011, the District renewed \$9,600,000 bond anticipation notes maturing June 29, 2011, of which \$3,800,000 was issued against the April 4, 2007 authorization and \$5,800,000 against the January 8, 2009 authorization. On June 27, 2012, the District renewed \$9,350,000 bond anticipation notes and paid down \$250,000 with available funds against \$9,600,000 that was outstanding. The District will evaluate market conditions and analyze the budget to determine if bonds or renewal notes will be issued in June 2013.

The voters of the District annually authorized funds for the purchase of buses. The District residents approved an authorization for \$323,522 on May 15, 2012. Buses are financed using bond anticipation notes in February on an annual basis.

There are presently no other capital projects authorized and unissued by the School District, 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.

Maine-Endwell Central School District
<http://emma.msrb.org/ER438337-ER341301-ER737426.pdf>
 Base CUSIP: 560415

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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Maine	\$136,680,454	\$138,096,297	\$138,021,982	\$138,481,895	\$138,535,378
Naticoke	1,468,800	1,468,800	1,451,800	1,485,050	1,485,050
Newark Valley	3,312,417	3,296,546	3,302,680	3,303,391	25,706,640
Owego	7,272,894	7,294,440	7,299,031	7,499,081	3,284,156
Union	25,537,282	25,629,833	25,745,555	25,746,314	7,419,750
Total Assessed Valuation	<u>\$174,271,847</u>	<u>\$175,785,916</u>	<u>\$175,821,048</u>	<u>\$176,515,731</u>	<u>\$176,430,974</u>

	State Equalization Rates Years Ending June 30,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Maine	62.47%	59.53%	65.59%	66.13%	70.00%
Naticoke	98.50	60.00	63.00	59.00	59.00
Union	4.64	4.31	4.43	4.70	4.85
Newark Valley	73.50	65.50	64.50	66.50	66.50
Owego	78.00	71.00	76.00	81.00	80.00
Taxable Full Valuation	\$784,488,285	\$844,392,105	\$808,624,077	\$773,945,161	\$744,671,799

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$19,361,806	\$19,541,870	\$19,834,998	\$20,330,873	\$20,837,112
% Uncollected When Due ⁽¹⁾	4.7%	4.8%	4.9%	4.9%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$19,176,180	\$42,126,864	45.52%
2009-2010	17,138,362	41,718,973	41.08
2010-2011	21,481,889	43,887,662	48.95
2011-2012 (Unaudited)	22,616,014	46,269,667	48.88
2012-2013 (Budgeted)	21,365,664	44,074,766	48.48

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$351,521	\$1,378,209
2009-2010	233,737	1,292,484
2010-2011	510,363	1,099,895
2011-2012 (Unaudited)	482,498	1,576,722
2012-2013 (Budgeted)	544,790	1,766,000

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

GASB 45 and OPEB

The District contracted with Armory Associates, an actuarial firm, to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$74,648,430. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$74,648,430. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$13,852,057. The District's annual OPEB expense was \$8,036,802 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$2,724,565 to the Plan for the fiscal year ending June 30, 2012 to its

employees, resulting in a net increase to its unfunded OPEB obligation of \$5,312,233, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$19,164,290. The aforementioned liability and ARC will be recognized and disclosed in accordance with GASB 45 standards in the District’s June 30, 2012 financial statements. See also “PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB.*”

Note: This information has been developed pursuant to unaudited information from the District.

Recent Operating Results

The District’s revenues exceeded its expenditures by \$1,509,916 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$46,980 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.*”

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$5,400,451	\$1,098,870	\$969,377	\$5,270,958
2013-2014	5,391,231	1,099,125	968,450	5,260,556
2014-2015	5,324,370	1,099,070	969,250	5,194,550
2015-2016	5,326,895	1,098,595	966,250	5,194,550
2016-2017	5,342,190	1,098,590	966,500	5,210,100
2017-2018	5,349,640	1,098,890	964,750	5,215,500
2018-2019	5,358,710	1,098,810	966,000	5,225,900
2019-2020	4,259,400	-	-	4,259,400
2020-2021	4,237,800	-	-	4,237,800
2021-2022	4,226,600	-	-	4,226,600
2022-2023	4,215,200	-	-	4,215,200
2023-2024	4,198,400	-	-	4,198,400
2024-2025	2,891,200	-	-	2,891,200

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**APPENDIX C-28
DESCRIPTION OF
MEDINA CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-28 a brief description of the Medina 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 Orleans, Niagara and Genesee Counties equidistant between the Cities of Rochester and Buffalo in the Towns of Alabama, Albion, Barre, Hartland, Ridgeway and Shelby. The District covers approximately 100 square miles.

The District is served by New York State Routes #31, #31A and #63, and a vast number of local roadways. The New York State Thruway is located approximately 15 miles south of the District. Bus, train and air service are available in the nearby Cities of Rochester and Buffalo.

Residents not engaged in agriculture find employment in the professional and industrial concerns in the Cities of Buffalo, Rochester, Lockport and nearby Batavia.

Water and sewer services are provided by various municipal systems, although some residents have private wells and septic systems. Electricity is provided by the National Grid/Energetix and natural gas by New York State Electric & Gas (NYSEG)/Natural Fuel Resources. Telephone service is provided by Verizon/ACC Business. Police protection is provided by the Village of Medina, supplemented by the County Sheriffs' Departments and the New York State Police. Various volunteer organizations provide ambulance service and fire protection.

Population

The current estimated population of the District is 11,208 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Medina Hospital	Health Care	400
Medina Central School District	Public Education	378
Bernz-O-Matic Corporation	Manufacturing	240
Brunner, Inc.	Manufacturing	238
Associated Brands	Manufacturing	236

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Grid	Utility	\$13,183,356
NYSEG	Utility	7,781,327
Medina Center LLC	Shopping Center	4,330,400
Lustumbo	Mobile Home Park	3,196,500
RH Associates	Apartment Complex	2,714,500

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 10.52% 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 Genesee, Niagara and Orleans Counties.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Genesee County	4.6%	5.6%	7.7%	7.8%	7.5%
Niagara County	5.4	6.7	9.4	9.2	8.4
Orleans County	5.9	7.0	9.4	10.0	9.2
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	1,932	1,911	1,890	1,870	1,830	1,811	1,780

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
160	Medina Teachers' Association	June 30, 2013
38	Medina Teachers Associates	June 30, 2014
38	Civil Service Employees' Association	June 30, 2011 ⁽¹⁾
37	Transportation	June 30, 2012 ⁽¹⁾
5	Medina Central School District Building Administrators	June 30, 2016

⁽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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$376,399,340
Debt Limit (10% of Full Valuation)	37,639,934
Gross Indebtedness ⁽²⁾	\$35,411,870
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$35,411,870
Net Debt Contracting Margin	\$2,228,064
Percentage of Debt Contracting Power Exhausted	94.08%

(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 \$3,325,000 School District Bonds to the Authority in connection with the refunding of \$3,647,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Orleans	\$11,795,000	\$0	\$11,795,000	23.33%	\$2,751,774
Genesee	14,625,000	0	14,625,000	0.01	1,463
Niagara	57,128,058	40,780,943	16,347,115	0.04	6,539
Towns of:					
Alabama	0	0	0	0.11	0
Albion	3,192,200	3,192,200	0	0.25	0
Barre	677,900	677,900	0	5.30	0
Hartland	245,000	245,000	0	2.19	0
Ridgeway	3,681,800	3,681,800	0	83.90	0
Shelby	2,402,200	1,689,200	713,000	98.74	704,016
Village of:					
Medina	4,496,716	0	4,496,716	100.00	4,496,716
Total					<u>\$7,960,508</u>

(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 September 18, 2012.

Debt Ratios As of September 18, 2012⁽¹⁾

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$35,411,870	\$3,159.52	9.41%
Gross Indebtedness Plus Net Overlapping Indebtedness	43,372,378	3,869.77	11.52

(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 11,208.

(3) Based on the District's full value of taxable real estate using the State equalization rates for 2012-13 of \$376,399,340.

(4) The District expects to deliver \$3,325,000 School District Bonds to the Authority in connection with the refunding of \$3,647,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

In 2006, the New York State Education Department offered Expanding our Children's Education and Learning aid ("Excel Aid") to all New York public school districts. The Excel Aid offered must be used in conjunction with a school renovation project, in addition, the Excel Aid could be used to offset the portion of a project not covered by Building Aid. The District developed a renovation project in the amount of \$21,000,000 which was approved by the voters on May 15, 2007. Bond anticipation notes were issued on December 7, 2007 in the amount of \$1,200,000 for preliminary and incidental expenses associated with the design phase of this project. On September 3, 2008 the District issued \$14,000,000 as the second borrowing against said authorization. On September 2, 2009, the District renewed \$14,000,000 bond anticipation notes and issued \$3,000,000 additional bond anticipation notes to provide additional new money financing for the project. On September 1, 2010, the District issued \$17,196,000 bond anticipation notes, which along with available funds, renewed bond anticipation notes maturing on September 2, 2010 and provided \$586,000 new monies. The District issued \$19,050,000 bond anticipation notes on June 24, 2011, which along with available funds, renewed bond anticipation notes maturing on June 24, 2011 and provided \$2,214,000 new monies. In June 2012 the District issued bonds to permanently finance \$15,159,806 of the \$19,050,000 bond anticipation notes maturing on June 22, 2012. The District also issued bond anticipation notes, which along with \$1,042,130 available funds of the District, which renewed the balance of the bond anticipation notes maturing on June 22, 2012. Pending market conditions, the District anticipates issuing serial bonds in June 2013 to permanently finance bond anticipation notes maturing on June 21, 2013.

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.

Medina Central School District
<http://emma.msrb.org/ER539352-ER417340-ER819239.pdf>
Base CUSIP: 584802

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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Alabama	\$91,951	\$91,951	\$90,517	\$92,376	\$92,236
Albion	482,191	488,091	514,357	525,457	558,457
Barre	3,957,389	4,163,978	4,384,995	4,508,721	4,638,464
Hartland	3,462,534	3,463,099	3,500,348	3,762,448	3,790,319
Ridgeway	183,321,147	183,155,214	187,959,784	187,870,027	188,484,002
Shelby	170,643,266	171,326,437	178,348,705	178,895,965	178,833,009
Total Assessed Valuation	<u>\$361,958,478</u>	<u>\$362,688,770</u>	<u>\$374,798,706</u>	<u>\$375,654,994</u>	<u>\$376,396,487</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Alabama	100.00%	100.00%	99.00%	100.00%	97.00%
Albion	97.00	94.00	100.00	100.00	100.00
Barre	95.00	100.00	100.00	100.00	100.00
Hartland	90.00	89.00	89.00	100.00	100.00
Ridgeway	98.00	94.00	100.00	100.00	100.00
Shelby	98.00	94.00	100.00	100.00	100.00
Taxable Full Valuation	\$369,790,164	\$385,774,437	\$375,232,248	\$375,654,994	\$376,399,340

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$9,492,493	\$9,492,493	\$9,942,493	\$9,627,502	\$9,636,588
% Uncollected When Due ⁽¹⁾	6.15%	6.67%	6.18%	5.56%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$20,500,621	\$30,819,126	66.52%
2009-2010	21,518,843	32,798,873	65.61
2010-2011	20,360,565	30,952,590	65.78
2011-2012 (Unaudited)	21,030,764	31,139,298	67.54
2012-2013 (Budgeted)	21,768,971	33,427,930	65.12

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$194,328	\$1,023,702
2009-2010	195,244	617,604
2010-2011	368,933	1,023,702
2011-2012 (Unaudited)	590,972	1,189,119
2012-2013 (Budgeted)	590,000	1,325,000

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

GASB 45 and OPEB

The District contracted with Milliman I 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 \$23,217,005. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$23,217,005. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was \$940,498. The District's annual OPEB expense was \$1,429,104 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$1,224,393 to the Plan for the fiscal year ending June 30, 2011 to 372 employees, resulting in a net increase to its unfunded OPEB obligation of \$204,711, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of \$1,145,209. The aforementioned liability and ARC are recognized and will be 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$2,954,689 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of approximately \$1,245,572 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$2,935,555	\$695,405	\$619,572	\$2,859,722
2013-2014	2,925,533	696,070	622,400	2,851,863
2014-2015	2,758,657	695,195	618,000	2,681,462
2015-2016	2,749,709	695,780	618,000	2,671,929
2016-2017	2,744,209	695,660	621,750	2,670,299
2017-2018	2,739,133	695,780	619,000	2,662,353
2018-2019	2,744,081	233,655	210,000	2,720,426
2019-2020	2,367,152	-	-	2,367,152
2020-2021	2,373,746	-	-	2,373,746
2021-2022	2,288,073	-	-	2,288,073
2022-2023	2,296,246	-	-	2,296,246
2023-2024	2,302,134	-	-	2,302,134
2024-2025	2,065,648	-	-	2,065,648

**APPENDIX C-29
DESCRIPTION OF
MINISINK VALLEY CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-29 a brief description of the Minisink 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 includes all of the Towns of Minisink and Greenville, a large portion of the Towns of Wawayanda and Mt. Hope, and a small area of the Towns of Wallkill and Mamakating. The District comprises approximately 115 square miles and is situated primarily in the western part of Orange County. The southern border of the District is congruent with Sussex County, New Jersey; its northern border reaches into Sullivan County; its western border follows the high ridges of the Shawangunk Mountain range and the eastern border moves from the rich black dirt area ‘muckland’ to the Middletown city limits.

Population

The current estimated population of the District is 22,955 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Minisink Valley Central School District	Public Schools	602
State Correctional Facility at Otisville	State Prison	320
Federal Correctional Facility at Otisville	Federal Prison	299
Balchem Corporation	Manufacturing	105
Caitlin Gardens	Catering Hall	75

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Orange and Rockland Utilities	Utility	\$50,608,440
Norfolk Southern Rail	Railroad	22,488,404
Citizens Telecom	Utility	7,853,610
County of Orange	Various	5,837,668
City of Middletown	Water Supply	5,817,048

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 5.01% 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 Orange and Sullivan Counties.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Orange County	4.4%	5.4%	7.9%	8.3%	7.8%
Sullivan County	5.3	6.5	8.8	9.3	9.1
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	4,661	4,631	4,662	4,387	4,388	4,300	4,300

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
315	Minisink Valley Teachers’ Association	June 30, 2013
248	Civil Service Employees’ Association, Inc.	June 30, 2014
16	Minisink Valley Administrators’ Association	June 30, 2014
23	Non-Union	

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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$1,961,729,612
Debt Limit (10% of Full Valuation)	196,172,961
Gross Indebtedness ⁽²⁾	\$86,734,396
Less: Exclusions – Estimated Building Aid ⁽³⁾	66,438,147
Total Net Indebtedness	<u>\$20,296,249</u>
Net Debt Contracting Margin	\$175,876,712
Percentage of Debt Contracting Power Exhausted	10.35%

- (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 \$8,505,000 School District Bonds to the Authority in connection with the refunding of \$11,406,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the percentage of debt contracting power exhausted accordingly.
- (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
Counties of:					
Orange	\$266,540,000	\$17,295,000	\$249,245,000	5.24%	\$13,060,438
Sullivan	97,535,796	13,205,796	84,330,000	0.61	514,413
Towns:					
Greenville	38,000	0	38,000	100.00	38,000
Minisink	0	0	0	100.00	0
Mount Hope	1,547,500	200,000	1,347,500	100.00	1,347,500
Wallkill	23,005,057	14,840,057	8,165,000	3.58	292,307
Wawayanda	4,703,001	393,000	4,310,001	68.72	2,961,832
Mamakating	0	0	0	5.11	0
Villages:					
Otisville	323,049	0	323,049	100.00	323,049
Unionville	0	0	0	100.00	0
Fire Districts:					
Greenville	205,000	0	205,000	100.00	205,000
Slate Hill	0	0	0	100.00	0
				Total	<u>\$18,742,539</u>

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	Amount	Per Capita⁽²⁾	Percentage of Full Value⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$86,734,396	\$3,778.45	4.42%
Gross Indebtedness Plus Net Overlapping Indebtedness	105,476,935	4,594.94	5.38

(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 22,955.

(3) Based on the District's full value of taxable real estate using the State equalization rates for 2012-2013 of \$1,961,729,612.

(4) The District expects to deliver \$8,505,000 School District Bonds to the Authority in connection with the refunding of \$11,406,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

The District has authorized but has not yet issued debt in the amount of \$1,543,396.90 which will be funded by bond anticipation notes dated August 7, 2012. In addition, the District has \$9,200,000 authorized but has not yet issued debt, authorized by Bond Resolution on February 5, 2008.

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.

Minisink Valley Central School District
<http://emma.msrb.org/ER548313-ER425036-ER827156.pdf>
 Base CUSIP: 603670

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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Greenville	\$249,718,128	\$248,392,223	\$250,626,918	\$252,067,158	\$254,232,944
Mamakating	28,309,212	28,279,477	28,611,096	28,793,582	28,846,813
Minisink	189,662,912	191,330,627	194,651,678	195,151,252	197,843,153
Mount Hope	252,803,709	253,432,231	254,724,900	254,872,018	255,624,274
Wallkill	19,033,203	19,487,502	19,784,074	19,767,783	19,971,209
Wawayanda	337,026,589	340,535,878	345,659,910	350,674,294	353,397,417
Total Assessed Valuation	<u>\$1,076,553,753</u>	<u>\$1,081,457,938</u>	<u>\$1,094,058,576</u>	<u>\$1,101,326,087</u>	<u>\$1,109,915,810</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Greenville	47.25%	49.25%	54.37%	60.40%	61.66%
Mamakating	45.90	46.60	52.86	59.30	60.90
Minisink	33.69	36.15	42.00	46.00	48.00
Mount Hope	46.90	48.00	50.00	52.50	55.50
Wallkill	17.00	18.00	19.00	19.00	20.00
Wawayanda	50.50	55.00	61.00	65.85	66.75
Taxable Full Valuation	\$2,471,511,328	\$2,349,707,798	\$2,158,780,102	\$2,012,173,840	\$1,961,729,612

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$31,306,302	\$31,545,176	\$31,998,710	34,510,821	41,136,475
% Uncollected When Due ⁽¹⁾	9.43%	9.42%	9.32%	9.35%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$39,372,236	\$76,885,741	51.21%
2009-2010	35,123,152	76,825,776	45.72
2010-2011	36,478,302	77,405,274	47.13
2011-2012	35,763,737	85,893,534	41.64
2012-2013 (Budgeted)	37,074,483	85,327,965	43.45

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$539,930	\$2,073,688
2009-2010	755,093	1,661,097
2010-2011	1,048,021	2,259,796
2011-2012	2,660,524	1,195,269
2012-2013(Budgeted)	3,404,965	1,866,249

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

GASB 45 and OPEB

The District contracted with Nugent & Haeussler to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$72,619,061. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$72,619,061. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$9,939,007. The District's annual OPEB expense was \$7,576,988 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$1,570,552 to the Plan for the fiscal year ending June 30, 2012 to 15,945,443 employees, resulting in a net increase to its unfunded OPEB obligation of \$6,006,436, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$6,006,436. 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 unaudited information from the District.

Recent Operating Results

The District's unaudited revenues exceeded its expenditures by \$6,300,485 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$7,315,424 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$8,936,879	\$2,687,136	\$2,380,925	\$8,630,668
2013-2014	8,941,546	2,696,629	1,833,850	8,078,767
2014-2015	8,746,493	2,696,134	1,828,450	7,878,809
2015-2016	8,753,276	2,695,843	1,825,850	7,883,284
2016-2017	8,589,418	2,476,533	1,680,000	7,792,886
2017-2018	6,120,737	-	-	6,120,737
2018-2019	6,111,456	-	-	6,111,456
2019-2020	6,149,294	-	-	6,149,294
2020-2021	6,135,244	-	-	6,135,244
2021-2022	6,143,564	-	-	6,143,564
2022-2023	6,133,191	-	-	6,133,191
2023-2024	6,116,064	-	-	6,116,064
2024-2025	4,536,472	-	-	4,536,472
2025-2026	3,029,042	-	-	3,029,042
2026-2027	3,007,327	-	-	3,007,327
2027-2028	2,462,797	-	-	2,462,797
2028-2029	2,465,445	-	-	2,465,445
2029-2030	2,459,919	-	-	2,459,919
2030-2031	2,460,541	-	-	2,460,541
2031-2032	2,452,626	-	-	2,452,626
2032-2033	2,456,287	-	-	2,456,287
2033-2034	2,451,085	-	-	2,451,085
2034-2035	2,447,125	-	-	2,447,125

**APPENDIX C-30
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF NIAGARA FALLS**

There follows in this Appendix C-30 a brief description of the City School District of the City of Niagara Falls (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 coterminous with the City of Niagara Falls (the “City”) and according to the 2010 Census has an area of approximately 17 square miles.

The City is located on the eastern banks of the Niagara River, nearly halfway between Lake Ontario and Lake Erie. The City is approximately 16 square miles, and is located 23 miles northwest of the City of Buffalo, New York, and is one of the principal ports of entry into Canada. Large manufacturing facilities such as Occidental Chemical, E.I. DuPont, Union Carbide, and Goodyear are located in the City.

Population

The current estimated population of the District is 50,193 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Niagara Falls Air Reserve Station	Air National Guard	2,787
Seneca Niagara Casino	Gaming Facility	2,715
Niagara County	County Government	1,554
Fashion Outlets of Niagara	Retail Shopping Center	1,434
GM Component Holdings LLC	Heating/Cooling Systems	1,400

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Niagara Mohawk Power Corporation (National Grid)	Utility	\$57,470,660
National Fuel Gas	Utility	28,571,018
GKK Hotel Niagara Owner LLC	Hotel	15,109,400
Verizon New York Inc.	Utility	8,093,707
Occidental Chemical Corporation	Manufacturing	6,719,601

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 11.03% 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 the City of Niagara Falls and Niagara County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
City of Niagara Falls	6.8%	8.5%	11.2%	11.9%	10.6%
Niagara County	5.4	6.7	9.4	9.2	8.4
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	8,132	7,803	7,801	7,122	7,001	7,050	7,005

District Employees

The District employees approximately 1,200 persons. Of those 1,200 employees, 653 are in teaching and teaching assistant positions while 547 are in non-teaching positions. The collective bargaining units which represent them and the dates of expirations of the various collective bargaining agreements are presented in the table below.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
551	Niagara Falls Teachers' Association	June 30, 2015
279	Civil Service Employees' Association	June 30, 2015
166	Civil Service Employees' Association - Aide Unit	June 30, 2015
24	Administrators & Supervisors Council	June 30, 2015
10	Non-Instructional Administrators & Supervisors	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 September 18, 2012⁽¹⁾	Based on Conventional Equalization Rates	Based On Special Equalization Ratios
Five Year Average Full Valuation of Taxable Real Property.....	\$1,426,740,363	\$1,432,284,755
Debt Limit (5% of full valuation) ⁽²⁾	\$71,337,018	\$71,614,237
Outstanding Indebtedness ⁽³⁾		
<u>Inclusions</u>		
Serial Bonds.....	\$51,060,000	\$51,060,000
DASNY Bonds.....	1,460,000	1,460,000
Variable Municipal Bonds.....	403,476	403,476
Total Inclusions.....	<u>\$52,923,476</u>	<u>\$52,923,476</u>
<u>Exclusions</u>		
Bonds Previously Refunded.....	\$0	\$0
Appropriations.....	4,218,476	4,218,476
Total Exclusions.....	<u>\$4,218,476</u>	<u>\$4,218,476</u>
Total Net Indebtedness.....	\$48,705,000	\$48,705,000
Net Debt Contracting Margin.....	\$22,632,018	\$22,909,237
Percentage of Debt Contracting Power Exhausted.....	68.27%	68.01%

- (1) The District has not incurred any indebtedness since the date of this table. The District expects to deliver \$6,425,000 School District Bonds to the Authority in connection with the refunding of \$6,620,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the percentage of debt contracting power exhausted accordingly.
- (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) Certificates of Participation, 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.

<u>Unit</u>	<u>Outstanding Indebtedness</u> ⁽¹⁾	<u>Exclusions</u> ⁽²⁾	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of: Niagara	\$57,128,058	\$40,780,943	\$16,347,115	15.9%	\$2,599,191
City of: Niagara Falls	73,829,642	1,276,703	72,552,939	100.00%	<u>72,552,939</u>
				Total	<u>\$75,152,130</u>

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita</u> ⁽²⁾	<u>Percentage of Full Value</u> ⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$52,923,476	\$1,054.40	3.71%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	128,075,606	2,551.66	8.80

(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 50,193

(3) Based on the District’s full value of taxable real estate using the special State equalization rates for 2011-12 of \$1,454,834,369.

(4) The District expects to deliver \$6,425,000 School District Bonds to the Authority in connection with the refunding of \$6,620,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

<u>Fiscal Year</u>	<u>Amount</u>	<u>Type</u>	<u>Issue Date</u>	<u>Due Date</u>
2008-09	\$10,000,000	RAN	07/02/07	07/02/08
2009-10	9,300,000	RAN	07/02/08	07/02/09
2009-10	4,000,000	RAN	06/26/09	03/16/10
2009-10	6,400,000	RAN	06/26/09	03/16/10
2010-11	6,000,000	RAN	12/22/10	02/22/11
2010-11	2,500,000	RAN	06/26/11	10/14/11

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 Niagara Falls
<http://emma.msrb.org/ER547336-ER424090-.pdf>
 Base CUSIP: 653420

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 to the District in two equal installments each fiscal year. The first installment is payable from August 1 through August 31 without penalty unless amended by the School Board in consideration of the holiday weekend. Taxes paid from September 1 through September 30 incur a 2% penalty. Taxes paid from October 1 through October 31 incur a 3% penalty. First installment taxes paid after October 31 incur a 3% penalty plus interest at a rate of 1% per month beginning on November 1. The second installment of taxes is payable from November 1 through November 30 without a penalty. Second installment taxes paid from December 1 through December 31 incur a 2% penalty. Second installment taxes paid from January 1 through January 31 incur a 3% penalty. All taxes unpaid on February 1 are reported to the City of Niagara tax enforcement officer. Additional penalties are added by the City of Niagara to the amount reported and are included with subsequent remittance of collection by the City of Niagara enforcement officer to the District. The District receives this amount from Niagara County prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by Niagara County.

Valuations, Rates and Tax Levy

The tables below set forth the assessed and full valuations of taxable real property and the District's real property tax levy for the last five available years. Such assessed and full valuations for the year ended June 30, 2013 are not available as of the date of this Official Statement. Therefore, such valuations and levy are provided for the years ended June 30, 2008 through 2012.

Valuations, Rates and Tax Levy

	Assessed Valuation Years Ending June 30,				
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
City of:					
Niagara Falls	\$1,318,870,931	\$1,309,783,870	\$1,330,719,176	\$1,332,800,956	\$1,327,099,911
Total Assessed Valuation	<u>\$1,318,870,931</u>	<u>\$1,309,783,870</u>	<u>\$1,330,719,176</u>	<u>\$1,332,800,956</u>	<u>\$1,327,099,911</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
City of:					
Niagara Falls	93.00%	93.00%	91.00%	94.00%	93.00%
Taxable Full Valuation	\$1,418,140,786	\$1,408,369,752	\$1,462,328,764	\$1,417,873,357	\$1,426,989,151

**Special State Equalization Ratios
Years Ending June 30,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
City of:					
Niagara Falls	91.34%	94.18%	93.19%	92.30%	91.22%
Taxable Full Valuation	\$1,443,913,872	\$1,390,724,007	\$1,427,963,490	\$1,443,988,035	\$1,454,834,369

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$25,076,688	\$25,076,688	\$25,076,688	\$25,076,688	\$25,076,688	\$25,076,688
% Uncollected When Due ⁽¹⁾	61.5%	64.9%	70.1%	99.0%	68.9%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$92,641,299	\$125,829,549	73.62%
2009-2010	96,442,216	129,041,131	74.74
2010-2011	92,392,277	128,289,613	72.02
2011-2012 (Unaudited)	88,518,835	122,789,778	72.09
2012-2013 (Budgeted)	87,571,770	121,329,938	72.18

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$1,147,473	\$3,479,190
2009-2010	1,115,042	3,815,048
2010-2011	1,614,257	4,229,115
2011-2012 (Unaudited)	1,357,431	4,911,453
2012-2013 (Budgeted)	1,560,373	5,285,950

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

GASB 45 and OPEB

The District contracted with First Niagara Benefits Consulting to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 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 \$131,056,400. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$131,056,400. For the fiscal year ending June 30, 2009, the District's beginning year Net OPEB obligation was \$22,072,324. The District's annual OPEB expense was \$8,122,401 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$6,186,315 to the Plan for the fiscal year ending June 30, 2010 to 1,695 employees, resulting in a net increase to its unfunded OPEB obligation of \$1,936,086, for a fiscal year ending June 30, 2010 total net unfunded OPEB obligation of \$4,008,410. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2010 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by an estimated \$2,301,583 in its General Fund for the fiscal year ended June 30, 2012, resulting in an estimated unassigned General Fund balance of \$8,766,542 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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 Bond Debt Service	Total Certificates of Participation Debt Service	Refunded Bond Debt Service	Refunding Bond Debt Service	Total Debt Service After Refunding
2012-2013	\$5,322,091	\$5,308,310	\$1,659,969	\$1,536,891	\$10,507,323
2013-2014	5,319,521	5,309,310	1,659,874	1,530,650	10,499,607
2014-2015	5,088,239	5,309,060	1,427,280	1,304,175	10,274,194
2015-2016	5,085,598	5,307,310	1,427,389	1,309,375	10,274,894
2016-2017	3,946,731	5,307,510	285,444	247,650	9,216,447
2017-2018	3,950,163	5,310,125	285,329	246,275	9,221,234
2018-2019	3,954,430	5,299,000	285,939	249,675	9,217,166
2019-2020	3,948,108	5,306,500	285,851	247,850	9,216,607
2020-2021	3,952,169	5,310,500	286,038	245,875	9,222,507
2021-2022	3,954,868	5,305,750	285,471	248,675	9,223,822
2022-2023	3,671,944	5,312,250	-	-	8,984,194
2023-2024	3,668,522	5,309,000	-	-	8,977,522
2024-2025	1,839,022	5,306,000	-	-	7,145,022
2025-2026	1,839,584	5,307,750	-	-	7,147,334
2026-2027	1,842,850	5,308,500	-	-	7,151,350
2027-2028	1,843,709	5,307,750	-	-	7,151,459
2028-2029	1,842,163	-	-	-	1,842,163
2029-2030	1,843,100	-	-	-	1,843,100
2030-2031	1,846,303	-	-	-	1,846,303
2031-2032	1,851,553	-	-	-	1,851,553
2032-2033	1,853,741	-	-	-	1,853,741
2033-2034	1,852,866	-	-	-	1,852,866
2034-2035	1,853,819	-	-	-	1,853,819
2035-2036	1,852,988	-	-	-	1,852,988

⁽¹⁾ Schedule does not include remaining payments of \$5,269,689 due under an energy performance contract.

**APPENDIX C-31
DESCRIPTION OF
NIAGARA WHEATFIELD CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-31 a brief description of the Niagara Wheatfield 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 comprises about 115 square miles in southwestern Niagara County, adjacent to the City of Niagara Falls on the west and south and the City of North Tonawanda and the Niagara River on the south. Included within its boundaries are major portions of the towns of Niagara and Wheatfield and small portions of the Towns of Lewiston and Cambria.

The District is residential and industrial in character but has some open farmland. Many of the residents are employed in the cities of Niagara Falls, Lockport and Buffalo.

Population

The current estimated population of the District is 21,500 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Niagara Falls Air Force Base	Army National Guard, Air Force Reserve and Niagara Falls Airport	1,200
Niagara Fashion	Outlet Mall	1,000
Niagara Wheatfield	Central School District	700
Joe Anderson	Smoke Shop and Gasoline Sales	120
Town of Wheatfield	Town Government	80

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Mohawk Power Corporation (National Grid)	Utility	\$23,607,547
Empire State Pipeline	Utility	7,199,747
Niagara Station, LLC	Commercial	6,500,000
Niagara Villas, Inc.	Commercial	6,115,540
Niagara Recycling Inc.	Landfill	5,532,900

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 6.35% 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 Niagara County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Niagara County	5.4%	6.7%	9.4%	9.2%	8.4%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	4,067	4,119	4,053	4,061	4,176	4,098	4,185

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
340	Niagara Wheatfield Teachers’ Association	June 30, 2013
264	Niagara Wheatfield School Related Personnel Assoc.	June 30, 2014
17	Niagara Wheatfield Administrator Association	June 30, 2010 ⁽¹⁾
27	Exempt / Confidential / Managerial	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 September 18, 2012⁽¹⁾

Full Valuation of Taxable Real Property	\$1,631,959,511
Debt Limit (10% of Full Valuation)	163,195,951
Gross Indebtedness ⁽²⁾	\$58,369,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$58,369,000
Net Debt Contracting Margin	\$104,826,951
Percentage of Debt Contracting Power Exhausted	35.76%

(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 \$4,245,000 School District Bonds to the Authority in connection with the refunding of \$4,879,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Niagara	\$57,128,058	\$40,780,943	\$16,347,115	13.70%	\$2,239,555
Towns of:					
Cambria	1,282,000	1,210,000	72,000	7.12	5,126
Lewiston	8,795,000	5,750,000	3,045,000	16.88	513,996
Niagara	10,062,000	227,000	9,835,000	100.00	9,835,000
Wheatfield	12,854,800	969,800	11,885,000	100.00	11,885,000
				Total	\$24,478,677

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$58,369,000	\$2,714.83	3.58%
Gross Indebtedness Plus Net Overlapping Indebtedness	82,847,677	3,853.38	5.08

- (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 21,500.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-2013 of \$1,631,959,511.
- (4) The District expects to deliver \$4,245,000 School District Bonds to the Authority in connection with the refunding of \$4,879,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The District issued \$4,600,000 of Revenue Anticipation Notes in the 2011-12 fiscal year. The District has not issued any such notes since that time, but does expect to issue Revenue Anticipation Notes in the amount of \$8,000,000 in the current fiscal year.

The District, historically, does not issue Tax 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.

Niagara Wheatfield Central School District
<http://emma.msrb.org/ER532178-ER411126-ER812977.pdf>
 Base CUSIP: 653590

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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Cambria	\$18,357,215	\$18,634,446	\$18,593,903	\$20,199,455	\$20,313,910
Lewiston	114,318,572	115,470,586	116,735,858	117,898,008	118,102,380
Niagara	\$283,652,569	\$282,920,097	\$278,447,488	\$277,745,302	\$276,294,042
Wheatfield	663,549,852	676,091,297	679,584,136	682,869,169	689,533,092
Total Assessed Valuation	<u>\$1,079,878,208</u>	<u>\$1,093,116,426</u>	<u>\$1,093,361,385</u>	<u>\$1,098,711,934</u>	<u>\$1,104,243,424</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2008</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Cambria	100.00%	100.00%	98.00%	100.00%	100.00%
Lewiston	87.00	84.00	81.00	81.00	82.00
Niagara	60.00	60.00	60.00	59.00	59.00
Wheatfield	72.00	71.00	70.00	69.00	69.00
Taxable Full Valuation	\$1,544,109,171	\$1,579,874,187	\$1,598,005,340	\$1,626,172,763	\$1,631,959,511

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$26,566,488	\$26,566,488	\$26,566,488	\$27,355,512	\$28,661,923
% Uncollected When Due ⁽¹⁾	5.55%	5.34%	4.94%	5.60%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$31,275,400	\$62,318,971	50.19%
2009-2010	32,318,427	64,228,376	50.32
2010-2011	28,013,761	61,022,544	45.91
2011-2012 (Unaudited)	29,301,260	62,935,676	46.56
2012-2013 (Budgeted)	28,387,601	60,518,987	46.91

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$656,406	\$2,122,531
2009-2010	1,012,535	1,882,468
2010-2011	1,267,801	2,483,270
2011-2012 (Unaudited)	1,115,665	2,176,284
2012-2013 (Budgeted)	1,188,389	3,223,402

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

GASB 45 and OPEB

The District contracted with Drescher & Malecki LLP 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 \$9,035,408. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$9,035,408. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was \$1,124,769. The District's annual OPEB expense was \$879,695 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$269,316 to the Plan for the fiscal year ending June 30, 2011, resulting in a net increase to its unfunded OPEB obligation of \$610,379, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of \$1,735,148. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2012 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 \$1,600,000 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$1,600,000 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$6,357,933	\$498,135	\$423,716	\$6,283,514
2013-2014	6,931,513	498,825	428,200	6,860,888
2014-2015	6,899,551	498,745	424,000	6,824,806
2015-2016	6,850,105	498,895	427,250	6,778,460
2016-2017	5,893,845	498,220	424,750	5,820,375
2017-2018	5,895,864	498,720	426,750	5,823,894
2018-2019	5,313,678	498,078	428,000	5,243,601
2019-2020	3,772,939	498,595	428,500	3,702,844
2020-2021	3,777,886	498,168	428,250	3,707,969
2021-2022	3,778,733	498,795	427,250	3,707,188
2022-2023	498,373	498,373	425,500	425,501
2023-2024	498,900	498,900	428,000	428,000
2024-2025	498,350	498,350	424,500	424,500
2025-2026	498,750	498,750	425,250	425,250

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**APPENDIX C-32
DESCRIPTION OF
NORTH WARREN CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-32 a brief description of the North Warren 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

In 1973, the Chestertown, Pottersville and Horicon Central School Districts consolidated to form the District, which now covers approximately 144 square miles in the Towns of Chester, Hague, Horicon, Johnsburg, Thurman and Warrensburg in Warren County and the Towns of Minerva and Schroon in Essex County.

Population

The current estimated population of the District is 4,488 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
North Warren Central School	Public Education	117
Word of Life Fellowship	Educational Facility	82
Town of Chester	Municipal Government	42
Town of Horicon	Municipal Government	38
Lincoln Logs, Ltd.	Manufacturer	22

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
State of New York	State Land	\$28,643,973
National Grid	Utility	18,180,636
Brant Lake Camp	Camp	6,894,600
Island Pond Corporation	Land Development	6,484,600
Brant Lake Farm	Farm	6,029,700

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 6.14% 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 and Essex Counties.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Warren County	4.5%	5.6%	8.0%	8.5%	8.2%
Essex County	5.8	6.7	9.2	9.5	9.2
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	610	587	564	549	541	539	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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
67	North Warren Teachers’ Association	June 30, 2012 ⁽¹⁾
50	Civil Service Employees’ 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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$1,391,149,420
Debt Limit (10% of Full Valuation)	139,114,942
Gross Indebtedness ⁽²⁾	\$8,391,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$8,391,000
Net Debt Contracting Margin	\$130,723,942
Percentage of Debt Contracting Power Exhausted	6.03%

(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 \$6,640,000 School District Bonds to the Authority in connection with the refunding of \$7,661,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Warren	\$46,279,230	\$6,781,015	\$39,498,215	12.41%	\$4,901,728
Essex	44,520,600	0	44,520,600	0.02	8,904
Towns of:					
Chester	142,582	0	142,582	92.05	131,247
Hague	1,652,551	0	1,652,551	0.71	11,733
Horicon	208,497	0	208,497	97.21	202,680
Johnsburg	0	0	0	0.26	0
Thurman	0	0	0	0.74	0
Warrensburg	859,327	0	859,327	11.86	101,916
Minerva	1,350,264	1,350,264	0	0.28	0
Schroon	8,008,924	6,081,051	1,927,873	0.04	771
				Total	\$5,358,980

(1) Bonds and bond anticipation notes as of close of 2011 fiscal year. Not adjusted to include subsequent bond and note 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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$8,391,000	\$1,869.65	0.60%
Gross Indebtedness Plus Net Overlapping Indebtedness	13,749,980	3,063.72	0.99

- (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 4,488.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$1,391,149,421.
- (4) The District expects to deliver \$6,640,000 School District Bonds to the Authority in connection with the refunding of \$7,661,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

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.

North Warren Central School District
<http://emma.msrb.org/ER549487-ER426100-ER828276.pdf>
 Base CUSIP: 663237

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

School taxes are due September 1st. If paid by September 30th, no penalty is imposed. There is a 2% penalty if paid by the end of October and a 3% penalty for payments received from November 1st to November 15th. On November 15th, a list of all unpaid taxes is given to the Counties for relevy on County/Town tax rolls. The District is reimbursed by the Counties for all unpaid taxes the first week of April in each year and is thus assured of 100% collection of its annual levy.

Valuations, Rates and Tax Levy

The tables below set 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,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Chester	\$703,020,587	\$706,168,559	\$708,652,742	\$697,306,283	\$698,143,629
Hague	3,711,925	3,640,581	3,562,188	3,496,958	3,429,818
Horicon	647,253,059	651,243,826	654,007,461	642,214,802	643,489,865
Johnsburg	23,807	25,107	25,107	25,107	25,107
Minerva	814,100	846,700	852,100	852,100	852,100
Schroon	283,370	297,700	297,700	284,790	274,940
Thurman	1,091,900	1,089,900	1,222,000	1,222,000	1,222,000
Warrensburg	38,761,195	39,250,396	40,623,873	40,974,800	41,450,572
Total Assessed Valuation	<u>\$1,394,959,943</u>	<u>\$1,402,562,769</u>	<u>\$1,409,243,171</u>	<u>\$1,386,376,840</u>	<u>\$1,388,888,031</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Chester	100.00%	100.00%	100.00%	100.00%	100.00%
Hague	73.30	70.40	72.80	75.75	79.20
Horicon	100.00	100.00	100.00	100.00	100.00
Johnsburg	2.00	1.70	1.71	1.80	1.90
Minerva	100.00	100.00	100.00	100.00	100.00
Schroon	100.00	100.00	100.00	100.00	100.00
Thurman	92.00	88.00	90.00	95.00	95.00
Warrensburg	100.00	94.00	95.00	100.00	100.00
Taxable Full Valuation	\$1,397,573,527	\$1,408,199,210	\$1,414,291,113	\$1,388,930,370	\$1,391,149,421

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$8,129,068	\$8,204,129	\$8,325,549	\$8,364,936	\$8,225,763
% Uncollected When Due ⁽¹⁾	7.69%	8.59%	8.27%	7.46%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$3,687,303	\$12,002,380	30.72%
2009-2010	1,564,023	11,774,777	13.21
2010-2011	3,393,204	12,131,828	27.96
2011-2012 (Unaudited)	3,042,031	11,733,967	25.93
2012-2013 (Budgeted)	3,077,577	12,073,349	25.49

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$116,540	\$390,974
2009-2010	100,498	395,270
2010-2011	131,327	440,491
2011-2012 (Unaudited)	211,328	499,516
2012-2013 (Budgeted)	217,000	514,250

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 June 30, 2012, 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 \$21,264,228. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$21,264,228. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$5,350,262. The District's annual OPEB expense was \$2,263,968 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$377,520 to the Plan for the fiscal year ending June 30, 2012 to 192 employees, resulting in a net increase to its unfunded OPEB obligation of \$1,886,448, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$7,236,710. The aforementioned liability and ARC are recognized and will be disclosed in accordance with GASB 45 standards in the District's June 30, 2012 financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$421,976 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$678,697 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$985,136	\$746,408	\$636,015	\$874,744
2013-2014	875,131	745,378	636,750	766,504
2014-2015	870,255	745,358	633,750	758,648
2015-2016	865,200	745,238	632,000	751,963
2016-2017	860,938	745,963	639,500	754,476
2017-2018	855,410	745,423	635,750	745,738
2018-2019	745,745	745,745	636,250	636,250
2019-2020	745,808	745,808	635,750	635,751
2020-2021	745,558	745,558	634,250	634,251
2021-2022	745,943	745,943	636,750	636,751
2022-2023	745,858	745,858	638,000	638,001
2023-2024	746,250	746,250	638,000	638,000
2024-2025	745,550	745,550	636,750	636,750
2025-2026	745,350	745,350	639,250	639,250
2026-2027	746,550	746,550	635,250	635,250

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**APPENDIX C-33
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF NORWICH**

There follows in this Appendix C-33 a brief description of the City School District of the City of Norwich (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 has an area of approximately 105 square miles in the City of Norwich and the Towns of Guilford, McDonough, New Berlin, North Norwich, Norwich, Oxford, Pharsalia, Plymouth, Preston and Smyrna in Chenango County.

Population

The current estimated population of the District is 13,350 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Unison	Manufacturer–Ignition Systems	700
City School District of the City of Norwich	Public Education	405
NBT Bank, N.A.	Commercial Bank	400
Chenango Memorial Hospital	Hospital	300
Agro Farms Inc.	Dairy Business	100

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
State of New York	Forest Land	\$26,762,482
New York State Electric & Gas Corporation	Utility	8,454,152
Wal-Mart, Inc.	Retail	7,583,333
Agro Farms Inc.	Dairy Business	7,426,515
Widewaters Route 12 Association	Commercial	4,865,068

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 12.26% 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 Chenango County.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Chenango County	5.0%	6.4%	9.0%	9.0%	8.3%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	2,280	2,175	2,165	2,152	2,047	2,186	2,150

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
196	Norwich Educators Organization	June 15, 2012 ⁽¹⁾
178	Norwich Educational Support Staff Association	June 15, 2012 ⁽¹⁾
8	Norwich Association of Certified Administrative and Supervisory Personnel	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 September 18, 2012⁽¹⁾**

	Based on Conventional Equalization Rates	Based On Special Equalization Ratios
Five Year Average Full Valuation of Taxable Real Property.....	\$562,426,861	\$565,962,631
Debt Limit (5% of full valuation) ⁽²⁾	28,121,343	28,298,131
Outstanding Indebtedness ⁽³⁾		
<u>Inclusions</u>		
Bonds.....	\$32,003,400	\$32,003,400
Bond Anticipation Notes.....	0	0
Total Inclusions.....	<u>\$32,003,400</u>	<u>\$32,003,400</u>
<u>Exclusions</u>		
Bonds Previously Refunded.....	\$0	\$0
Appropriations.....	3,113,400	3,113,400
Total Exclusions.....	<u>\$3,113,400</u>	<u>\$3,113,400</u>
Total Net Indebtedness.....	\$28,890,000	\$28,890,000
Net Debt Contracting Margin.....	(\$768,657) ⁽⁴⁾	(\$591,869) ⁽⁴⁾
Percentage of Debt Contracting Power Exhausted.....	102.73% ⁽⁴⁾	102.09% ⁽⁴⁾

- (1) The District has not incurred any indebtedness since the date of this table. The District expects to deliver \$5,215,000 School District Bonds to the Authority in connection with the refunding of \$5,579,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the percentage of debt contracting power exhausted accordingly.
- (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.
- (4) As provided in Section 104.00c of the Local Finance Law, the Board of Regents and State Comptroller have granted the District permission to exceed its Constitutional Debt Limit by Consent dated June 26, 2007 and July 10, 2007, respectively.

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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Chenango	\$225,000	\$0	\$225,000	23.71%	\$53,348
Towns of:					
Guilford	1,596,976	0	1,596,976	2.23	35,613
McDonough	0	0	0	11.01	0
New Berlin	253,000	253,000	0	1.17	0
North Norwich	0	0	0	39.17	0
Norwich	0	0	0	89.19	0
Oxford	0	0	0	1.49	0
Pharsalia	0	0	0	28.42	0
Plymouth	88,000	0	88,000	91.02	80,098
Preston	45,018	0	45,018	35.80	16,116
Smyrna	0	0	0	0.38	0
City of:					
Norwich	9,152,730	4,482,720	4,670,010	99.89%	<u>4,664,873</u>
				Total	<u>\$4,850,048</u>

(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 September 18, 2012.

Debt Ratios As of September 18, 2012⁽¹⁾

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$32,003,400	\$2,397.26	5.49%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	36,853,448	2,760.56	6.32

(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 13,350.

(3) Based on the District's full value of taxable real estate using the special State equalization rates for 2011-12 of \$582,984,557.

(4) The District expects to deliver \$5,215,000 School District Bonds to the Authority in connection with the refunding of \$5,579,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

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.

City School District of the City of Norwich
<http://emma.msrb.org/ER431847-ER335609-ER731446.pdf>
Base CUSIP: 669453

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 begins the tax collection process October 1 of each year and continues through March 31. Taxes may be paid in full on or before October 31 or they may be paid in two installments due on October 31 and March 31, without penalty.

If the first installment is paid in the month of November, a 2% penalty applies. The penalty increases 1% each month that taxes are delinquent up to 6% in March. After March 31, all delinquent taxes are returned to the either the City of Norwich, for property within the City limits, or the Chenango County Treasurer, for property outside the City limits. The District is reimbursed by the City and County for all unpaid taxes and is thus assured of 100% collection of its annual levy.

Valuations, Rates and Tax Levy

The tables below set forth the assessed and full valuations of taxable real property and the District's real property tax levy for the last five available years. Such assessed and full valuations for the year ended June 30, 2013 are not available as of the date of this Official Statement. Therefore, such valuations and levy are provided for the years ended June 30, 2008 through 2012.

Valuations, Rates and Tax Levy					
Assessed Valuation					
Years Ending June 30,					
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
City of:					
Norwich	\$138,741,578	\$139,415,336	\$139,864,437	\$141,106,977	\$143,707,639
Towns of:					
Guilford	1,713,288	1,709,406	1,613,719	1,697,940	3,200,290 ⁽¹⁾
McDonough	5,635,364	5,640,838	5,638,112	5,630,100	5,916,267
New Berlin	1,395,897	1,398,784	1,500,539	1,311,094	1,512,702
North Norwich	20,557,520	20,436,834	20,484,919	20,448,058	20,752,805
Norwich	86,162,722	89,433,191	89,744,230	90,438,126	90,853,911
Oxford	1,669,020	1,657,095	1,624,668	1,599,383	1,598,266
Pharsalia	8,517,406	8,570,671	8,922,605	8,849,132	8,801,292
Plymouth	46,381,151	47,162,498	47,822,039	48,280,202	49,981,262
Preston	7,463,460	7,611,384	7,832,780	7,840,554	8,061,939
Smyrna	<u>217,364</u>	<u>217,845</u>	<u>217,216</u>	<u>217,077</u>	<u>217,063</u>
Total Assessed Valuation	<u>\$318,454,770</u>	<u>\$323,253,882</u>	<u>\$325,265,264</u>	<u>\$327,418,643</u>	<u>\$334,603,436</u>

⁽¹⁾ Significant change due to townwide revaluation.

State Equalization Rates					
Years Ending June 30,					
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
City of:					
Norwich	66.00%	61.00%	60.00%	66.00%	68.00%
Towns of:					
Guilford	60.60	56.50	52.00	57.60	100.00 ⁽¹⁾
McDonough	83.00	75.00	69.20	75.00	77.57
New Berlin	100.00	93.00	84.50	86.00	100.00
North Norwich	64.00	60.00	59.00	63.00	66.00
Norwich	53.00	49.59	50.31	51.59	52.00
Oxford	70.00	65.00	59.00	63.00	67.00
Pharsalia	70.00	61.05	59.50	54.23	54.72
Plymouth	59.00	53.00	51.21	53.50	55.00
Preston	49.00	43.00	41.77	42.00	44.00
Smyrna	74.67	71.63	66.62	62.00	65.00
Taxable Full Valuation	\$524,606,315	\$578,586,031	\$589,448,787	\$561,654,446	\$557,838,720

⁽¹⁾ Significant change due to townwide revaluation.

**Special State Equalization Ratios
Years Ending June 30,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
City of:					
Norwich	59.89%	65.85%	67.88%	67.43%	66.97%
Towns of:					
Guilford	50.56	56.00	52.73	49.73	86.57 ⁽¹⁾
McDonough	68.21	74.04	75.96	73.33	71.34
New Berlin	81.05	83.68	82.80	78.58	88.34
North Norwich	57.80	61.85	65.15	63.63	62.15
Norwich	51.66	51.70	52.16	52.39	52.64
Oxford	57.76	61.56	65.67	63.44	61.25
Pharsalia	59.47	54.83	58.18	50.39	47.80
Plymouth	49.27	51.69	53.32	50.27	47.15
Preston	40.62	40.86	42.84	40.20	37.84
Smyrna	64.43	60.16	63.31	60.25	57.32
Taxable Full Valuation	\$577,447,760	\$558,641,046	\$547,965,865	\$562,773,929	\$582,984,557

⁽¹⁾ Significant change due to townwide revaluation.

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$10,755,534	\$10,904,324	\$10,887,257	\$10,905,969	\$11,101,087	\$11,348,882
% Uncollected When Due ⁽¹⁾	11.10%	9.91%	11.69%	11.04%	9.56%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$25,749,511	\$37,131,508	69.35%
2009-2010	23,193,482	35,575,700	65.19
2010-2011	22,533,892	34,338,651	65.62
2011-2012 (Unaudited)	23,897,575	35,360,620	67.58
2012-2013 (Budgeted)	24,593,799	37,781,355	65.10

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$159,841	\$863,190
2009-2010	291,106	712,824
2010-2011	381,228	954,549
2011-2012 (Unaudited)	528,065	1,119,143
2012-2013 (Budgeted)	563,065	1,182,143

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 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 \$1,103,068. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,103,068. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$200,628. The District's annual OPEB expense was \$117,803 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$178,431 to the Plan for the fiscal year ending June 30, 2012. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB.*"

Note: This information has been developed pursuant to unaudited information from the District.

Recent Operating Results

The District's expenditures exceeded its revenues by \$1,063,903 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$4,814,932 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$5,114,731	\$1,514,793	\$1,372,427	\$4,972,365
2013-2014	4,772,107	1,517,138	1,375,650	4,630,620
2014-2015	4,770,460	1,514,400	1,378,250	4,634,310
2015-2016	4,769,715	1,517,638	1,381,500	4,633,578
2016-2017	3,373,948	201,275	176,500	3,349,173
2017-2018	3,331,250	200,925	178,500	3,308,825
2018-2019	3,133,000	-	-	3,133,000
2019-2020	3,130,250	-	-	3,130,250
2020-2021	3,131,500	-	-	3,131,500
2021-2022	3,131,250	-	-	3,131,250
2022-2023	3,134,250	-	-	3,134,250

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**APPENDIX C-34
DESCRIPTION OF
PERRY CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-34 a brief description of the Perry 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 covers approximately 65 square miles within the Village of Perry and includes all or part of the towns of Perry, Castile, Warsaw and Covington in Wyoming County and the Town of Leicester in Livingston County.

Population

The current estimated population of the District is 6,210 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Pioneer Credit Recovery Inc.	Credit Recovery	375
Perry Central School District	Public Education	187
Bank of Castile	Commercial Bank	100
J. N. White Designs	Printing	100
Creative Food Ingredients	Baking Company	82

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
New York State Electric & Gas Corporation	Utility	\$ 10,476,773
Rochester Gas & Electric Corporation	Utility	6,495,699
Dominion Transmission	Utility	6,328,185
Thomas E. Sawyer	Agricultural	3,685,200
True Farms, Inc.	Agricultural	2,509,900

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 11.78% 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 Livingston and Wyoming Counties.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Livingston County	5.0%	5.9%	8.5%	8.5%	7.8%
Wyoming County	5.0	6.2	9.1	9.3	8.4
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	941	931	912	887	887	838	825

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
99	Perry Professional Educators' Association	June 30, 2012 ⁽¹⁾
61	Perry Education Support Staff 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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$351,970,379
Debt Limit (10% of Full Valuation)	35,197,038
Gross Indebtedness ⁽²⁾	\$17,057,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$17,057,000
Net Debt Contracting Margin	\$18,140,038
Percentage of Debt Contracting Power Exhausted	48.46%

(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 \$6,720,000 School District Bonds to the Authority in connection with the refunding of \$7,742,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Livingston	\$24,203,000	\$0	\$24,203,000	17.20%	\$4,162,916
Wyoming	62,840,321	5,415,021	57,425,300	0.32	183,761
Towns of:					
Perry	245,700	245,700	0	100.00	0
Castile	60,000	60,000	0	73.18	0
Covington	0	0	0	6.35	0
Warsaw	937,989	937,989	0	1.72	0
Leicester	0	0	0	9.78	0
Village of:					
Perry	1,906,191	1,706,191	200,000	100.00	<u>200,000</u>
				Total	<u>\$4,546,677</u>

(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 September 18, 2012.

Debt Ratios As of September 18, 2012⁽¹⁾

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$17,057,000	\$2,746.70	4.85%
Gross Indebtedness Plus Net Overlapping Indebtedness	21,603,677	3,478.85	6.14

(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 6,210.

(3) Based on the District's full value of taxable real estate using the State equalization rates for 2012-2013 of \$351,970,379.

(4) The District expects to deliver \$6,720,000 School District Bonds to the Authority in connection with the refunding of \$7,742,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

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.

Perry Central School District
<http://emma.msrb.org/ER545348-ER422334-ER824356.pdf>
 Base CUSIP: 714795

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

School taxes are due September 1. If paid by September 30, no penalty is imposed. There is a 2% penalty if paid by the end of October. On November 1, a list of all unpaid taxes is given to the Counties for relevy on County/Town tax rolls. The District is reimbursed by the Counties for all unpaid taxes the first week of April in each year and is thus assured of 100% collection of its annual levy.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Castile	\$128,904,103	\$131,666,019	\$133,419,219	\$149,917,490 ⁽¹⁾	\$149,695,389
Covington	3,628,375	3,674,631	3,735,693	3,955,103	3,966,062
Leicester	9,581,782	9,872,712	9,979,077	10,184,298	10,360,766
Perry	176,502,078	178,503,419	180,728,019	182,243,100	183,894,953
Warsaw	3,478,332	3,527,021	3,791,007	3,946,898	4,053,209
Total Assessed Valuation	<u>\$322,094,670</u>	<u>\$327,243,802</u>	<u>\$331,653,015</u>	<u>\$350,246,889</u>	<u>\$351,970,379</u>

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

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Castile	100.00%	100.00%	100.00%	100.00%	100.00%
Covington	100.00	100.00	100.00	100.00	100.00
Leicester	100.00	100.00	100.00	100.00	100.00
Perry	100.00	100.00	100.00	100.00	100.00
Warsaw	100.00	99.00	100.00	100.00	100.00
Taxable Full Valuation	\$322,094,670	\$327,279,428	\$331,653,015	\$350,246,889	\$351,970,379

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$5,570,806	\$5,604,101	\$5,738,968	\$5,848,794	\$5,994,756
% Uncollected When Due ⁽¹⁾	5.80%	5.01%	6.14%	6.20%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$10,179,673	\$16,038,880	63.47%
2009-2010	10,057,993	16,886,175	59.56
2010-2011	9,437,234	15,892,938	59.38
2011-2012 (Unaudited)	9,046,110	16,016,688	56.48
2012-2013 (Budgeted)	9,512,403	16,974,177	56.04

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$75,358	\$545,624
2009-2010	94,635	404,464
2010-2011	121,457	540,615
2011-2012 (Unaudited)	170,835	676,527
2012-2013 (Budgeted)	216,505	756,827

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 June 30, 2009, 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 \$5,144,961. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$5,144,961. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$203,070. The District's annual OPEB expense was \$330,085 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$228,550 to the Plan for the fiscal year ending June 30, 2011, resulting in a net increase to its unfunded OPEB obligation of \$101,535, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$304,605. The aforementioned liability and ARC are recognized and will be disclosed in accordance with GASB 45 standards in the 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 unaudited information from the District.

Recent Operating Results

The District's expenditures exceeded its revenues by \$38,600 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$605,382 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$2,126,262	\$754,643	\$644,601	\$2,016,220
2013-2014	2,122,961	752,393	640,500	2,011,069
2014-2015	2,156,826	753,208	642,500	2,046,119
2015-2016	2,147,236	753,868	640,500	2,033,869
2016-2017	2,125,161	753,318	647,750	2,019,594
2017-2018	1,871,451	753,558	648,750	1,766,644
2018-2019	1,303,436	754,618	643,750	1,192,569
2019-2020	1,300,859	754,365	648,000	1,194,494
2020-2021	1,301,806	753,800	641,000	1,189,006
2021-2022	1,300,970	752,870	643,250	1,191,350
2022-2023	1,298,623	753,523	649,250	1,194,351
2023-2024	1,303,538	753,600	638,750	1,188,688
2024-2025	753,600	753,600	642,500	642,500
2025-2026	754,050	754,050	644,750	644,750
2026-2027	752,850	752,850	640,500	640,500

**APPENDIX C-35
DESCRIPTION OF
PINE VALLEY CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-35 a brief description of the Pine 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 encompasses an area of approximately 118 square miles and is located in Chautauqua and Cattaraugus Counties near the midpoint for both counties. The District is located approximately 20 miles north of the City of Jamestown and 16 miles east of the Village of Fredonia. The District includes a major portion of the Towns of Villenova, Dayton, Cherry Creek and Leon. Both of the Villages of South Dayton and Cherry Creek lie within its boundaries.

The area is mostly agricultural, concentrated mainly on dairy farming. Many residents find employment in Jamestown, Fredonia and the City of Dunkirk. A large population of Amish residents live in the Town of Leon.

The District is served by Routes 62 and 83. It is located approximately 16 miles north of New York State Route 17 and New York State Thruway Interchange is within 14 miles of the western edge of the District.

Population

The current estimated population of the District is 4,454 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Pine Valley Central School District	Education	177
Cherry Creek Woodcrafters	Manufacturing	86
Smith's Trucking	Trucking	23
Super Duper	Food Retail	16
Austin Milling	Manufacturing	13

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
New York State Electric & Gas	Utility	\$4,790,810
Steuben Rural Electric	Utility	2,712,217
State of New York	State Lands	2,035,411
Nobels, Herbert	Agriculture	1,780,625
Adams, David	Agriculture	1,716,484

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 9.75% 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 Cattaraugus and Chautauqua Counties.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Cattaraugus County	5.2%	6.1%	8.7%	9.1%	8.7%
Chautauqua County	4.6	5.5	8.4	8.8	7.9
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	769	748	743	783	762	760	763

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
89	Pine Valley Teachers Association	June 30, 2014
62	Civil Service Employees Association Local 897	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$181,210,050
Debt Limit (10% of Full Valuation)	18,121,005
Gross Indebtedness ⁽²⁾	\$14,355,505
Less: Exclusions – Estimated Building Aid ⁽³⁾	13,504,007
Total Net Indebtedness	\$851,498
Net Debt Contracting Margin	\$17,269,507
Percentage of Debt Contracting Power Exhausted	4.70%

(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 \$4,450,000 School District Bonds to the Authority in connection with the refunding of \$5,030,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Cattaraugus	\$45,138,065	\$8,064	\$45,130,001	2.67%	\$1,204,971
Chautauqua	54,558,652	72,000	54,486,652	1.17	637,494
Towns:					
Arkwright	0	0	0	4.53	0
Charlotte	15,000	0	15,000	2.37	356
Cherry Creek	0	0	0	89.84	0
Ellington	0	0	0	18.47	0
Villanova	100,000	100,000	0	78.99	0
Conewango	0	0	0	4.10	0
Dayton	24,000	24,000	0	52.12	0
Leon	189,189	0	189,189	95.17	180,051
New Albion	150,400	150,400	0	0.96	0
Villages:					
Cherry Creek	1,193,056	893,056	300,000	88.71	266,130
South Dayton	267,667	235,667	32,000	95.69	30,621
				Total	\$2,319,622

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$14,355,505	\$3,223.06	7.92%
Gross Indebtedness Plus Net Overlapping Indebtedness	16,675,127	3,743.85	9.20

- (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 4,454.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-2013 of \$181,210,050.
- (4) The District expects to deliver \$4,450,000 School District Bonds to the Authority in connection with the refunding of \$5,030,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

The District is in the planning stages of an \$11,400,000 capital project to address the areas of renovation identified in a recently completed building conditions survey. The project was approved by the qualified voters of the District on November 21, 2011.

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.

Pine Valley Central School District
<http://emma.msrb.org/EP586366-EP459366-EP859390.pdf>
 Base CUSIP: 723019

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

School tax payments are due September 7, payable to October 7 without penalty. There is a 2% penalty if paid between October 8 and November 4. Uncollected school taxes are turned over to the Chautauqua and Cattaraugus County Commissioner of Finance on or about November 5 and the County reimburses the District in full before the end of the fiscal year in which the taxes were levied.

Valuations, Rates and Tax Levy

The tables below set 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,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Arkwright	\$1,394,045	\$1,429,151	\$1,539,293	\$1,561,751	\$1,507,989
Charlotte	1,102,056	1,095,165	1,120,308	1,122,717	1,555,399 ⁽¹⁾
Cherry Creek	37,444,526	37,579,969	37,558,386	37,889,551	49,664,644 ⁽¹⁾
Conewango	1,306,826	1,355,158	1,356,313	1,366,814	1,331,607
Dayton	24,650,273	24,800,665	24,954,049	25,110,310	24,958,823
Ellington	10,329,400	10,968,830	11,018,436	11,059,136	10,942,590
Leon	23,346,502	23,752,172	24,983,828	45,535,486 ⁽¹⁾	43,603,713
New Albion	433,228	463,982	509,361	530,327	532,357
Villanova	24,170,731	24,347,229	24,394,209	24,784,521	24,713,606
Total Assessed Valuation	<u>\$124,177,587</u>	<u>\$125,792,321</u>	<u>\$127,434,183</u>	<u>\$148,960,613</u>	<u>\$158,810,728</u>

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

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Arkwright	65.50%	61.75%	61.00%	60.50%	55.00%
Charlotte	82.20	80.10	80.30	79.65	100.00 ⁽¹⁾
Cherry Creek	85.20	76.00	75.95	75.10	100.00 ⁽¹⁾
Conewango	70.00	69.00	67.00	66.00	65.00
Dayton	83.00	80.00	80.00	80.00	79.00
Ellington	100.00	100.00	100.00	100.00	97.00
Leon	66.00	64.00	61.00	100.00 ⁽¹⁾	100.00
New Albion	80.00	80.00	78.00	78.00	76.00
Villanova	85.50	77.00	77.00	76.00	65.00
Taxable Full Valuation	\$153,498,290	\$166,375,172	\$170,896,305	\$177,787,660	\$181,210,050

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

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$2,275,115	\$2,289,161	\$2,275,115	\$3,927,384	\$3,141,825
% Uncollected When Due ⁽¹⁾	12.54%	14.06%	12.26%	9.60%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$9,208,738	\$12,755,595	72.19%
2009-2010	10,274,010	14,246,942	72.11
2010-2011	9,840,215	13,663,406	72.02
2011-2012 (Unaudited)	9,645,270	13,292,143	72.56
2012-2013 (Budgeted)	9,813,761	13,882,111	70.69

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$134,359	\$466,237
2009-2010	132,020	400,462
2010-2011	224,563	350,847
2011-2012 (Unaudited)	306,052	492,712
2012-2013 (Budgeted)	300,000	473,471

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

GASB 45 and OPEB

The District contracted with Burke Group to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$1,522,681. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,522,681. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was (\$8,258). The District's annual OPEB expense was \$129,314 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$173,283 to the Plan for the fiscal year ending June 30, 2012 to 103 participants, resulting in a net decrease to its unfunded OPEB obligation of \$43,969, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of (\$52,227). The aforementioned liability and ARC are recognized and will be 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. The District does not maintain a reserve fund, but because of past over-contributions the District has a net negative OPEB obligation. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to unaudited information from the District.

Recent Operating Results

The District's expenditures exceeded its revenues by \$353,562 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$1,920,930 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$1,689,769	\$750,594	\$661,658	\$1,600,833
2013-2014	1,689,319	750,394	659,350	1,598,275
2014-2015	1,691,350	748,869	655,750	1,598,231
2015-2016	1,636,457	686,388	596,750	1,546,820
2016-2017	1,629,819	684,875	594,500	1,539,444
2017-2018	1,641,119	687,050	601,250	1,555,319
2018-2019	1,639,275	687,650	601,500	1,553,125
2019-2020	1,634,900	686,675	600,500	1,548,725
2020-2021	1,632,094	684,125	593,250	1,541,219
2021-2022	700,507	-	-	700,507
2022-2023	917,707	-	-	917,707
2023-2024	917,650	-	-	917,650

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**APPENDIX C-36
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF PORT JERVIS**

There follows in this Appendix C-36 a brief description of the City School District of the City of Port Jervis (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, formed in 1862 and incorporated in 1868 as the Union School District 1, is located in the City of Port Jervis, the Towns of Deerpark and Mount Hope in Orange County; and the Towns of Mamakating and Forestburg in Sullivan County. The District covers approximately 73 square miles. All of the District’s facilities are located either in the City of Port Jervis or the Town of Deerpark and cover approximately 50 acres. The District is approximately 100 miles northwest of New York City.

Population

The current estimated population of the District is 17,522 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Bon Secours Community Hospital	Hospital	700
Kolmar Labs	Manufacturer - Cosmetics	490
Port Jervis City School District	Public Education	437
Summit Research Labs	Manufacturer - Chemicals	108
City of Port Jervis	Municipal Government	108

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Orange & Rockland Utilities	Utility	\$14,490,272
ARC Dam Huguenot LLC	Mobile Home Park	4,429,670
Richard Spears	Mobile Home Park	3,258,422
Kolmar Laboratories, Inc.	Manufacturing	2,684,500
N-H Farms Inc.	Stadium & Arenas	2,253,700

The total estimated assessed valuation of the top **ten (10)** taxpayers represents approximately 7.12% 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 Orange and Sullivan Counties.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Orange County	4.4%	5.4%	7.9%	8.3%	7.8%
Sullivan County	5.3	6.5	8.8	9.3	9.1
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	3,117	3,113	3,064	2,953	2,899	3,104	2,900

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
265	Teachers’ Association	June 30, 2012 ⁽¹⁾
158	Employees’ Association	June 30, 2013
11	Administrators’ Association	June 30, 2013
1	Superintendent	June 30, 2015
1	Assistant Superintendent - Business	June 30, 2015
1	Assistant Superintendent - Instruction	June 30, 2015

⁽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 September 18, 2012⁽¹⁾**

	Based on Conventional Equalization Rates	Based On Special Equalization Ratios
Five Year Average Full Valuation of Taxable Real Property.....	\$1,191,193,591	\$1,117,067,948
Debt Limit (5% of full valuation) ⁽²⁾	59,559,679	55,853,397
Outstanding Indebtedness ⁽³⁾		
<u>Inclusions</u>		
Bonds.....	\$23,842,000	\$23,842,000
Bond Anticipation Notes.....	0	0
Total Inclusions.....	<u>\$23,842,000</u>	<u>\$23,842,000</u>
<u>Exclusions</u>		
Bonds Previously Refunded.....	\$0	\$0
Appropriations.....	1,772,000	1,772,000
Total Exclusions.....	<u>\$1,772,000</u>	<u>\$1,772,000</u>
Total Net Indebtedness.....	\$22,070,000	\$22,070,000
Net Debt Contracting Margin.....	\$37,489,679	\$33,783,397
Percentage of Debt Contracting Power Exhausted.....	37.06%	39.51%

- (1) The District has not incurred any indebtedness since the date of this table. The District expects to deliver \$2,920,000 School District Bonds to the Authority in connection with the refunding of \$3,277,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the percentage of debt contracting power exhausted accordingly.
- (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.

<u>Unit</u>	<u>Outstanding Indebtedness</u> ⁽¹⁾	<u>Exclusions</u> ⁽²⁾	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Orange	\$266,540,000	\$17,295,000	\$249,245,000	2.60%	\$6,480,370
Sullivan	97,535,796	13,205,796	84,330,000	1.22	1,028,826
Towns of:					
Deerpark	938,194	0	938,194	83.90	787,145
Mount Hope	1,547,500	200,000	1,347,500	0.80	10,780
Forestburgh	100,000	0	100,000	19.10	19,100
Mamakating	0	0	0	6.22	0
City of:					
Port Jervis	7,498,049	3,641,660	3,856,389	85.51	3,297,598
				Total	<u>\$11,623,819</u>

- (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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita</u> ⁽²⁾	<u>Percentage of Full Value</u> ⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$23,842,000	\$1,360.69	2.35%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	35,465,819	2,024.07	3.49

- (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 17,522.
- (3) Based on the District's full value of taxable real estate using the State equalization rates for 2012-2013 of \$1,015,929,218.
- (4) The District expects to deliver \$2,920,000 School District Bonds to the Authority in connection with the refunding of \$3,277,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

The District voters approved a \$14,640,000 capital project on February 23, 2010 consisting of reconstruction of various school buildings and facilities. The District has financed \$9,500,000 of the authorization in a serial bond dated May 24, 2012. The District may borrow additional funds in the Fall of 2012. Construction is anticipated to be complete in December, 2012.

The District voters approved a \$1,800,000 capital project on May 17, 2011. The District is tentatively planning on obtaining financing for the project in the Fall of 2012 in the approximate amount of \$655,000; with the balance of the project to be paid for with capital reserve and cash.

The District voters approved a \$1,850,000 capital project on December 13, 2011. The District is tentatively planning on obtaining financing for the project in the Fall of 2012 in the approximate amount of \$865,000 with the balance of the project to be paid for with capital reserve, fund balance and cash.

Other than the \$14,640,000, \$1,800,000 and \$1,850,000 capital projects, the District has no definite plans for any capital projects as of the date of this Official Statement.

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 Port Jervis
<http://emma.msrb.org/EP587952-EP460534-EP860586.pdf>
Base CUSIP: 734557

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

School taxes are due September 1. If paid by October 2, no penalty is imposed. There is a 2% penalty if paid by October 31 and a 3% penalty if paid by November 2. Taxes which remain unpaid at the end of the collection period are returned to the City and Counties for collection. The City and Counties reimburse the District for unpaid taxes, thus assuring the District of 100% collection of its annual levy.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of:					
Port Jervis	\$164,661,522	\$165,575,310	\$165,349,745	\$165,384,712	\$165,383,322
Towns of:					
Deerpark	281,358,140	278,451,263	279,275,949	275,565,349	275,261,194
Forestburgh	3,559,553	3,534,616	3,569,581	3,536,668	3,574,635
Mamakating	42,268,640	42,793,474	43,031,564	43,022,416	42,968,637
Mount Hope	2,226,160	2,225,096	2,225,232	2,271,794	2,271,935
Total Assessed Valuation	<u><u>\$494,074,015</u></u>	<u><u>\$492,579,759</u></u>	<u><u>\$493,452,071</u></u>	<u><u>\$489,780,939</u></u>	<u><u>\$489,459,723</u></u>

State Equalization Rates Years Ending June 30,

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of:					
Port Jervis	31.49%	33.00%	35.00%	38.00%	41.00%
Towns of:					
Deerpark	40.68	43.00	47.00	50.00	55.00
Forestburgh	7.75	8.50	8.75	9.10	9.55
Mamakating	45.90	46.60	52.86	59.30	60.90
Mount Hope	46.90	48.00	50.00	52.50	55.50
Taxable Full Valuation	\$1,357,303,369	\$1,287,355,264	\$1,193,284,332	\$1,102,095,783	\$1,015,929,218

Special State Equalization Ratios⁽¹⁾ Years Ending June 30,

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of:						
Port Jervis	33.42%	35.46%	38.57%	39.39%	40.19%	N/A
Towns of:						
Deerpark	44.12	48.34	51.73	53.29	54.30	N/A
Forestburgh	48.62	8.98	9.07	9.04	9.04	N/A
Mamakating	8.73	53.35	60.00	61.82	63.68	N/A
Mount Hope	46.94	50.33	52.78	54.10	55.02	N/A
Taxable Full Valuation	\$1,246,721,078	\$1,169,689,245	\$1,082,071,984	\$1,057,051,690	\$1,029,805,745	N/A

⁽¹⁾ The special State equalization ratios relating to the assessed valuations of taxable real property for the year ended June 30, 2013 are not available as of the date of this Official Statement. Therefore, the special State equalization ratios relating to the taxable assessed valuations of taxable real property are provided for the years ended June 30, 2008 through 2012.

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$24,826,469	\$25,299,886	\$25,964,361	\$26,984,944	\$27,399,297
% Uncollected When Due ⁽¹⁾	11.17%	16.89%	12.41%	10.99%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$31,354,926	\$58,909,964	53.23%
2009-2010	30,354,691	60,378,769	50.27
2010-2011	28,695,362	58,625,474	48.95
2011-2012 (Unaudited)	28,602,719	57,315,916	49.90
2012-2013 (Budgeted)	29,731,272	60,711,255	48.97

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$482,068	\$1,614,286
2009-2010	487,908	1,848,533
2010-2011	677,764	1,613,212
2011-2012 (Unaudited)	758,790	2,229,350
2012-2013 (Budgeted)	886,520	2,476,960

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

GASB 45 and OPEB

The District contracted with Aon Hewit to calculate its “other post-employment benefits” (“OPEB”) plan (the “Plan”) in accordance with GASB 45. As of June 30, 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 \$56,497,095. The actuarial value of the Plan’s assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$56,497,095. For the fiscal year ending June 30, 2012, the District’s beginning year Net OPEB obligation was \$10,576,134. The District’s annual OPEB expense was \$5,958,022 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$2,243,595 to the Plan for the fiscal year ending June 30, 2012 to 393 employees, resulting in a net increase to its unfunded OPEB obligation of \$3,714,427, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$14,290,561. The aforementioned liability and ARC are recognized and will be disclosed in accordance with GASB 45 standards in the District’s June 30, 2012 financial statements. The District has reserved \$5,097,234 toward its OPEB liability. See also “PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB.*”

Note: This information has been developed pursuant to unaudited information from the District.

Recent Operating Results

The District’s expenditures exceeded its revenues by \$1,280,466 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$7,260,624 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.*”

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$2,575,202	\$513,750	\$450,274	\$2,511,726
2013-2014	2,574,719	514,215	449,750	2,510,254
2014-2015	2,574,498	514,635	448,750	2,508,613
2015-2016	2,581,786	513,955	447,000	2,514,831
2016-2017	2,582,606	514,175	449,500	2,517,931
2017-2018	2,582,754	514,185	451,000	2,519,569
2018-2019	2,586,139	514,033	446,500	2,518,607
2019-2020	2,323,529	514,673	446,250	2,255,107
2020-2021	1,808,419	-	-	1,808,419
2021-2022	1,809,319	-	-	1,809,319
2022-2023	1,811,306	-	-	1,811,306
2023-2024	1,324,038	-	-	1,324,038
2024-2025	789,303	-	-	789,303
2025-2026	791,173	-	-	791,173
2026-2027	456,793	-	-	456,793

**APPENDIX C-37
DESCRIPTION OF
QUEENSBURY UNION FREE SCHOOL DISTRICT**

There follows in this Appendix C-37 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 District has a stable local economy and continues to enjoy commercial and residential growth. A second Wal-Mart department store opened in the District on September 14, 2011. Student housing has been approved for the State University of New York (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. A housing subdivision is planned on the western side of the District on Luzerne Road and construction will consist of thirty-six (36) single family homes with an average lot size of 1.73 acres.

Population

The current estimated population of the District is 22,042 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Wal-Mart (two separate retail locations)	Retail	576
Queensbury Union Free School District	Education	487
Tribune Media	Entertainment/News Products	400
Warren Washington ARC	Service	357
SUNY Adirondack	Higher Education	230

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Erie Boulevard Hydro	Utility	\$30,355,000
Niagara Mohawk/National Grid Power Corp.	Utility	23,760,044
Wal-Mart	Retail	20,816,100
Aviation Mall Newco LLC	Shopping Mall	20,200,000
Troy CMBS Property (K-Mart)	Retail	10,165,100

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 8.3% 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.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Warren County	4.5%	5.6%	8.0%	8.5%	8.2%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
283	Teachers Queensbury Faculty Association	June 30, 2012 ⁽¹⁾
Varies	Southern Adirondack Substitute Teacher Alliance	June 30, 2013
80	Queensbury Educational Support Staff	June 30, 2012 ⁽¹⁾
48	Queensbury Transportation Employees	June 30, 2013
44	Queensbury Buildings and Grounds Employees	June 30, 2013
13	Queensbury Administrators and Supervisors	June 30, 2014
6	Queensbury School Nurses Association	June 30, 2012 ⁽¹⁾
5	Queensbury Occupational Therapist/Physical Therapist Association	June 30, 2013
4	Queensbury Supervisors of Maintenance & Custodial	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 September 15, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$2,007,854,310
Debt Limit (10% of Full Valuation)	200,785,431
Gross Indebtedness ⁽²⁾	\$48,815,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$48,815,000
Net Debt Contracting Margin	\$151,970,431
Percentage of Debt Contracting Power Exhausted	24.31%

(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 \$5,605,000 School District Bonds to the Authority in connection with the refunding of \$6,075,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Warren	\$46,279,230	\$6,781,015	\$39,498,215	18.16%	\$7,172,876
Town of:					
Queensbury	16,434,400	4,825,400	11,609,000	54.64	6,343,158
				Total	\$13,516,034

(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 September 15, 2012.

**Debt Ratios
As of September 15, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$48,815,000	\$2,214.63	2.43%
Gross Indebtedness Plus Net Overlapping Indebtedness	62,331,034	2,827.83	3.10%

- (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 22,042.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$2,007,854,310.
- (4) The District expects to deliver \$5,605,000 School District Bonds to the Authority in connection with the refunding of \$6,075,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

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 Central School District
<http://emma.msrb.org/ER538180-ER416358-ER818189.pdf>
 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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Town of:					
Queensbury	\$1,592,835,829	\$1,597,739,357	\$1,610,791,040	\$1,608,399,860	\$1,606,283,448
Total Assessed Valuation	<u>\$1,592,835,829</u>	<u>\$1,597,739,357</u>	<u>\$1,610,791,040</u>	<u>\$1,608,399,860</u>	<u>\$1,606,283,448</u>

	State Equalization Rates Years Ending June 30,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Town of:					
Queensbury	73.00%	76.00%	76.00%	80.00%	80.00%
Taxable Full Valuation	\$2,181,966,889	\$2,102,288,628	\$2,119,461,895	\$2,010,499,825	\$2,007,854,310

	Total District Property Tax Collections Years Ending June 30,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$27,930,770	\$28,016,400	\$28,245,300	\$28,565,182	\$29,189,001
% Uncollected When Due ⁽¹⁾	6.85%	6.19%	6.01%	5.95%	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 fiscal year.

<u>Fiscal Year</u>	State Aid and Revenues		
	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$22,327,074	\$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 (Unaudited)	18,589,884	48,734,120	38.14
2012-2013 (Budgeted)	19,128,161	52,967,638	36.11

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$402,827	\$1,827,278
2009-2010	372,406	1,682,229
2010-2011	549,865	1,411,543
2011-2012 (Unaudited)	782,212	2,099,401
2012-2013 (Budgeted)	865,000	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 to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$68,402,447. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$68,402,447. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$14,215,202. The District's annual OPEB expense was \$7,168,194 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$1,153,527 to the Plan for the fiscal year ending June 30, 2012, resulting in a net increase to its unfunded OPEB obligation of \$6,014,667, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$20,229,869. The aforementioned liability and ARC are recognized and will be 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 unaudited information from the District.

Recent Operating Results

The District's expenditures exceeded its revenues by \$554,477 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$15,076,651 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$6,519,899	\$695,480	\$594,255	\$6,418,674
2013-2014	9,139,850	694,965	589,350	9,034,235
2014-2015	9,090,150	694,350	594,350	8,990,150
2015-2016	9,099,218	694,580	588,550	8,993,188
2016-2017	9,050,558	695,545	593,300	8,948,313
2017-2018	8,825,460	695,135	591,800	8,722,125
2018-2019	3,480,118	694,568	589,300	3,374,851
2019-2020	1,898,838	695,688	590,800	1,793,951
2020-2021	1,900,800	695,338	591,050	1,796,513
2021-2022	1,901,805	695,518	595,250	1,801,538
2022-2023	1,897,160	695,123	593,900	1,795,938
2023-2024	1,895,800	695,100	587,100	1,787,800
2024-2025	1,202,025	-	-	1,202,025
2025-2026	1,195,675	-	-	1,195,675
2026-2027	266,988	-	-	266,988
2027-2028	264,775	-	-	264,775
2028-2029	262,300	-	-	262,300
2029-2030	259,563	-	-	259,563
2030-2031	266,663	-	-	266,663
2031-2032	93,150	-	-	93,150

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**APPENDIX C-38
DESCRIPTION OF
ROTTERDAM-MOHONASEN CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-38 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 County 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).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
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

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Grid	Utility	\$20,338,047
Rotterdam Ventures	Industrial	10,472,000
Altamont Associates	Shopping Centers	8,528,900
Crosstown Plaza LLC	Shopping Centers	5,200,000
Dominion Transmission	Commercial	5,034,103

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 6.5% 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 Schenectady and Albany Counties.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Schenectady County	4.2%	5.1%	7.4%	7.8%	7.5%
Albany County	3.9	4.9	6.9	7.1	7.0
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	3,218	3,194	3,083	3,056	2,942	2,875	2,870

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
223	Mohonasen Teachers' Association	June 30, 2014
240	Mohonasen Support Staff Association (Civil Service)	June 30, 2012 ⁽¹⁾
44	Mohonasen Teachers' Association (Substitutes)	June 30, 2015
12	Mohonasen Administrators' Association	June 30, 2013
7	Mohonasen Support Staff Supervisors' Association	June 30, 2014

⁽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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$1,443,396,328
Debt Limit (10% of Full Valuation)	144,339,633
Gross Indebtedness ⁽²⁾	\$29,113,781
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$29,113,781
Net Debt Contracting Margin	\$115,225,852
Percentage of Debt Contracting Power Exhausted	20.17%

(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 \$6,525,000 School District Bonds to the Authority in connection with the refunding of \$6,916,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Schenectady	\$55,402,887	\$0	\$55,402,887	13.12%	\$7,268,859
Albany	260,645,427	47,335,428	213,309,999	0.52	1,109,212
Towns of:					
Rotterdam	9,310,750	1,611,207	7,699,543	52.21	4,019,931
Colonie	112,951,639	43,052,791	69,898,848	0.65	454,343
Guilderland	25,858,700	20,895,700	4,963,000	1.84	91,319
				Total	\$12,943,664

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$29,113,781	\$1,430.30	2.02%
Gross Indebtedness Plus Net Overlapping Indebtedness	42,057,445	2,066.20	2.91

- (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 2012-13 of \$1,443,396,328.
- (4) The District expects to deliver \$6,525,000 School District Bonds to the Authority in connection with the refunding of \$6,916,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

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.

Rotterdam-Mohonasen Central School District
<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

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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Colonie	\$37,374,628	\$37,863,075	\$37,729,189	\$37,295,909	\$37,260,288
Guilderland	54,959,331	55,549,417	55,993,009	56,451,977	56,470,177
Rotterdam	1,295,607,036	1,302,089,612	1,318,339,205	1,322,090,693	1,325,601,073
Total Assessed Valuation	<u>1,387,940,995</u>	<u>1,395,502,104</u>	<u>1,412,061,403</u>	<u>\$1,415,838,579</u>	<u>\$1,419,331,538</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Colonie	67.00%	65.75%	65.75%	67.50%	69.75%
Guilderland	79.62	79.09	85.05	86.25	87.72
Rotterdam	95.00	95.00	100.00	100.00	100.00
Taxable Full Valuation	\$1,488,606,949	\$1,496,742,804	\$1,441,557,403	\$1,442,795,459	\$1,443,396,328

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$21,262,913	\$21,387,652	\$21,880,276	\$22,427,627	\$22,938,507
% Uncollected When Due ⁽¹⁾	4.2%	4.4%	5.2%	4.6%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$19,304,397	\$42,082,455	45.87%
2009-2010	17,253,422	42,067,260	41.01
2010-2011	18,420,944	42,304,810	43.54
2011-2012 (Unaudited)	17,634,124	41,426,512	42.57
2012-2013 (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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$358,411	\$1,599,160
2009-2010	337,873	1,470,575
2010-2011	498,185	1,323,602
2011-2012 (Unaudited)	775,325	1,776,635
2012-2013 (Budgeted)	960,000	2,125,000

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

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, 2012, 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 \$25,318,829. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$25,318,829. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$3,236,971. The District's annual OPEB expense was \$2,258,694 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$1,221,599 to the Plan for the fiscal year ending June 30, 2012 to 189 employees, resulting in a net increase to its unfunded OPEB obligation of \$1,037,095, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$4,274,066. The aforementioned liability and ARC will be 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$1,010,651 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$1,763,290 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$4,697,928	\$1,959,370	\$1,787,689	\$4,526,247
2013-2014	4,698,529	1,983,418	1,811,450	4,526,562
2014-2015	4,608,238	1,984,990	1,810,000	4,433,248
2015-2016	4,471,066	1,984,928	1,811,900	4,298,039
2016-2017	2,406,715	-	-	2,406,715
2017-2018	2,337,613	-	-	2,337,613
2018-2019	2,339,884	-	-	2,339,884
2019-2020	2,338,170	-	-	2,338,170
2020-2021	2,337,280	-	-	2,337,280
2021-2022	1,959,528	-	-	1,959,528
2022-2023	1,901,547	-	-	1,901,547
2023-2024	1,906,047	-	-	1,906,047
2024-2025	1,791,250	-	-	1,791,250
2025-2026	288,156	-	-	288,156
2026-2027	286,125	-	-	286,125

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**APPENDIX C-39
DESCRIPTION OF
SACKETS HARBOR CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-39 a brief description of the Sackets Harbor 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, encompassing approximately 70 square miles, is located on the eastern shore of Lake Ontario, about 10 miles west of Watertown. Major highways serving the District include The New York State Thruway (I #90), State Route #690 and Route #81. Bus service to the District is provided by both the Centro and Syracuse & Oswego Bus Companies.

The District is primarily residential and commercial in nature. Residential properties are mostly single-family homes, but there are apartment and condominium developments.

The population of the Village of Sackets Harbor is approximately 1,450 persons year round. The area enjoys substantial commerce from the tourism industry and during the summer, the population increases to approximately 3,500 in the Village. The restoration of the Madison Barracks, a historic site, promotes further tourist activity.

Police protection is afforded residents by Village, Town, County and State agencies. Fire protection is provided by various volunteer groups. Gas and electricity are furnished by National Grid. Sewer treatment is provided by the County of Jefferson.

Population

The current estimated population of the District is 3,217 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Lawman Heating & Cooling	Heating & Cooling	215
Sackets Harbor Central Schools	Education	100
Tin Pan Gallery	Restaurant	35
Village of Sackets Harbor	Municipality	27
Madison Barracks	Living Quarters	25

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Grid	Utility	\$8,300,574
Woodlark Properties V LLC	Apartments	5,790,100
Fort Pike Commons Apartments	Apartments	5,040,000
Galloo Island Corporation	Commercial	3,310,200
Phillips Petroleum Company	Utility	2,622,800

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 10.70% 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				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Jefferson County	5.6%	6.8%	8.9%	9.5%	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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	Projected <u>2013-14</u>
K-12	498	491	475	465	487	476	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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
41	New York State United Teachers	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$321,655,957
Debt Limit (10% of Full Valuation)	32,165,596
Gross Indebtedness ⁽²⁾	\$5,880,230
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$5,880,230
Net Debt Contracting Margin	\$26,285,366
Percentage of Debt Contracting Power Exhausted	18.28%

(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 \$2,320,000 School District Bonds to the Authority in connection with the refunding of \$2,545,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Jefferson	\$17,845,000	\$0	\$17,845,000	3.70%	\$660,265
Towns of:					
Adams	1,702,400	500,200	1,202,200	1.04	12,503
Henderson	2,688,828	2,688,828	0	2.57	0
Hounsfield	5,871,204	5,871,204	0	96.38	0
Village of:					
Sackets Harbor	9,922,516	9,437,016	485,500	100.00	485,500
				Total	\$1,158,268

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$5,880,230	\$1,827.86	1.83%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	7,038,498	2,187.91	2.19

- (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 3,217.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-2013 of \$321,655,957.
- (4) The District expects to deliver \$2,320,000 School District Bonds to the Authority in connection with the refunding of \$2,545,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

The District does not have any other projects currently authorized nor are any 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.

Sackets Harbor Central School District
<http://emma.msrb.org/EA478024-EA370488-EA767305.pdf>
 Base CUSIP: 785772

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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Adams	\$2,019,755	\$1,977,383	\$1,996,678	\$3,553,980 ⁽¹⁾	\$3,579,026
Henderson	4,669,636	8,102,956	8,017,092	8,119,979	8,204,643
Hounsfield	148,943,741	303,715,824 ⁽¹⁾	304,820,487	307,669,922	309,872,288
Total Assessed Valuation	<u>\$155,633,132</u>	<u>\$313,796,163</u>	<u>\$314,834,257</u>	<u>\$319,343,881</u>	<u>\$321,655,957</u>

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

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Adams	64.00%	60.00%	61.00%	100.00% ⁽¹⁾	100.00%
Henderson	59.00	100.00	100.00	98.00	100.00
Hounsfield	57.00	100.00 ⁽¹⁾	100.00	100.00	100.00
Taxable Full Valuation	\$272,375,313	\$315,114,418	\$316,110,822	\$319,509,595	\$321,655,957

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

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$3,458,946	\$3,503,042	\$3,572,178	\$3,642,310	\$3,714,974
% Uncollected When Due ⁽¹⁾	6.14%	12.8%	12.92%	N/A	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$3,679,621	\$7,491,364	49.12%
2009-2010	3,652,025	7,781,335	46.93
2010-2011	3,474,533	7,487,344	46.41
2011-2012 (Unaudited)	3,421,470	7,250,835	47.19
2012-2013 (Budgeted)	3,262,898	7,900,835	41.30

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$50,541	\$254,964
2009-2010	57,009	225,329
2010-2011	83,431	181,024
2011-2012 (Unaudited)	125,962	248,961
2012-2013 (Budgeted)	151,249	338,639

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

GASB 45 and OPEB

The District contracted with Harbridge Consulting Group, LLC to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$14,473,132. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$14,473,132. The District's annual OPEB expense was \$1,295,910 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$446,575 to the Plan for the fiscal year ending June 30, 2012 to 72 active employees and 80 retirees, resulting in a net increase to its unfunded OPEB obligation of \$1,993,837, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$2,440,412. 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$122,858 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$997,889 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$849,108	\$449,225	\$398,381	\$798,264
2013-2014	830,093	448,630	398,000	779,463
2014-2015	807,035	449,058	396,000	753,978
2015-2016	788,196	449,393	395,500	734,304
2016-2017	763,078	448,578	399,250	713,751
2017-2018	765,638	448,613	397,000	714,026
2018-2019	762,523	448,898	399,000	712,626
2019-2020	314,438	-	-	314,438
2020-2021	314,875	-	-	314,875
2021-2022	318,281	-	-	318,281
2022-2023	316,031	-	-	316,031
2023-2024	318,344	-	-	318,344

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**APPENDIX C-40
DESCRIPTION OF
SCOTIA-GLENVILLE CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-40 a brief description of the Scotia-Glenville 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 north of, and adjacent to, the City of Schenectady in the eastern central portion of upstate New York, encompasses approximately 40 square miles and includes the Village of Scotia and various portions of the Towns of Glenville, Amsterdam and Charlton. The District is situated in the so-called Capital District comprised of Schenectady, Albany and Rensselaer Counties. Many residents find employment in technical and clerical professions, small businesses and service employees. Most residents travel to nearby Schenectady, Albany or Saratoga Springs for employment. The principal industry in the immediate area is General Electric with its turbine and motor production facility located two miles south of the District in the City of Schenectady. The facility currently employs 3,500 persons and employment levels are projected to be stable in the near future. The State of New York and Lockheed Martin are two other major employers in the area. The character of the District is primarily residential in nature, with some commercial development.

The hub of the District is the Village of Scotia (the “Village”). The Village’s main arteries of travel include State routes #5, 7, 50, 88 and 90 (the New York State Thruway), which are supplemented by a good county and town road network. Rail service is provided by Amtrak for passenger travel and Conrail for freight shipment. Located on the Mohawk River, the Village is connected to the New York State Barge Canal system. Bus service is available through Trailways and Greyhound for all major cities in the United States and Canada. Major air transport facilities are located at the Albany County Airport, ten miles southeast of the District.

There are many opportunities for higher education within 30 minutes of the District: Union College and Schenectady County Community College in Schenectady, Skidmore College in Saratoga Springs, University at Albany (SUNY), Albany Law School, Albany Medical College, Albany College of Pharmacy and The College of St. Rose in Albany, Siena College in Loudonville, and Rensselaer Polytechnic Institute, Russell Sage College and Hudson Valley Community College in Troy.

Population

The current estimated population of the District is 18,697 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Golub Corporation	Retail	9,715
Ellis Hospital	Hospital	3,700
MVP Services Corp	Health Insurance	800
Northeast Parent & Child Society	Residential, Special Education, Foster Home	450
Scotia-Glenville Central School District	School District	433

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Shady Lane Realty, Incorporated	Real Estate	\$22,838,000
Baptist Healthcare	Retirement Facility	14,668,600
Wal-Mart	Real Estate/Retail	13,961,900
National Grid	Utility	13,427,251
Lowe's	Retail	12,900,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 8.96% 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 Schenectady, Montgomery and Saratoga Counties.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Schenectady County	4.2%	5.1%	7.4%	7.8%	7.5%
Montgomery County	6.0	7.1	9.6	10.0	9.8
Saratoga County	3.7	4.6	6.4	6.8	6.6
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	2,807	2,802	2,760	2,793	2,750	2,729	2,729

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
237	Scotia-Glenville Teachers Association	June 30, 2013
79	Scotia-Glenville Teachers Association (Aides and Monitors)	June 30, 2014
75	American Federation of Labor – Congress of Industrial Organizations (A.F.L.-C.I.O.)	June 30, 2012 ⁽¹⁾
29	New York State United Teachers	June 30, 2013
51	Scotia-Glenville Teachers Association (Teaching Assistants)	June 30, 2014
18	Scotia-Glenville Administrators Association	June 30, 2013
8	Management Confidential	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$1,351,821,625
Debt Limit (10% of Full Valuation)	135,182,163
Gross Indebtedness ⁽²⁾	\$25,928,090
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$25,928,090
Net Debt Contracting Margin	\$109,254,073
Percentage of Debt Contracting Power Exhausted	19.18%

(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 \$9,190,000 School District Bonds to the Authority in connection with the refunding of \$10,324,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
Counties of:					
Schenectady	\$55,402,887	\$0	\$55,402,887	11.97%	\$6,631,726
Montgomery	33,881,000	0	33,881,000	0.02	6,776
Saratoga	69,125,000	0	69,125,000	0.01	6,913
Towns of:					
Glenville	20,407,195	10,723,115	9,684,080	60.68	5,876,300
Amsterdam	4,158,000	3,830,000	328,000	0.24	787
Charlton	1,668,150	108,150	1,560,000	0.54	8,424
Village of:					
Scotia	950,370	624,970	325,400	100.00	325,400
				Total	\$12,856,326

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$25,928,090	\$1,386.75	1.92%
Gross Indebtedness Plus Net Overlapping Indebtedness	38,784,416	2,074.37	2.87

- (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 18,697.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$1,351,821,625.
- (4) The District expects to deliver \$9,190,000 School District Bonds to the Authority in connection with the refunding of \$10,324,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The District issued \$2,997,000 of Revenue Anticipation Notes in the 2001 fiscal year and \$6,000,000 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 Board of Education adopted a bond resolution on June 8, 2009 to finance (i) a District-wide technology infrastructure upgrade, (ii) the reconstruction of the High School, the Middle School, the Elementary Schools and the Bus Garage, (iii) the reconstruction of the track at the High School, and (iv) the construction of a Library/Media Center at the Middle School in an aggregate amount not to exceed \$11,892,000.

On August 12, 2010, the District issued \$8,100,000 bond anticipation notes to finance the first phase of the project. On August 11, 2011, the District issued \$10,755,219 bond anticipation notes which renewed the previously outstanding bond anticipation notes and provided \$2,655,219 in new monies for the project, which together with \$934,781 in New York State Expanding our Children’s Education and Learning (“EXCEL”) aid and \$202,000 available funds exhausted the entire authorized amount under the June 8, 2009 bond resolution. On August 10, 2012, the District renewed \$10,755,219 bond anticipation notes along with \$145,219 available funds. The District anticipates permanently financing the project through the issuance of bonds in June 2013.

The District is contemplating an additional project for approximately \$2 million for energy improvements. Energy savings together with building aid is expected to result in no tax impact to District residents.

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.

Scotia-Glenville Central School District
<http://emma.msrb.org/ER436939-ER340036-ER736072.pdf>
 Base CUSIP: 809265

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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Amsterdam	\$90,931	\$86,272	\$91,434	\$94,008	\$97,365
Charlton	1,656,113	1,657,736	1,660,281	1,662,580	1,701,423
Glenville	<u>1,211,052,636</u>	<u>1,226,787,073</u>	<u>1,254,026,130</u>	<u>1,244,453,059</u>	<u>1,240,557,219</u>
Total Assessed Valuation	<u>\$1,212,799,680</u>	<u>\$1,228,531,081</u>	<u>\$1,255,777,845</u>	<u>\$1,246,203,647</u>	<u>\$1,242,356,007</u>

	State Equalization Rates Years Ending June 30,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Amsterdam	10.00%	9.80%	9.80%	10.00%	10.15%
Charlton	68.00	67.00	70.00	70.00	70.00
Glenville	85.00	85.00	91.00	91.00	92.00
Taxable Full Valuation	\$1,428,112,577	\$1,446,633,469	\$1,381,355,522	\$1,370,846,028	\$1,351,821,625

Total District Property Tax Collections Years Ending June 30,

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$20,084,547	\$20,604,546	\$21,712,651	\$20,545,520	\$22,652,810
% Uncollected When Due ⁽¹⁾	6.69%	6.47%	7.16%	6.17%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$18,529,777	\$44,411,929	41.72%
2009-2010	17,075,597	44,805,174	38.11
2010-2011	15,454,148	42,838,491	36.08
2011-2012 (Unaudited)	15,889,687	42,937,617	37.01
2012-2013 (Budgeted)	16,012,330	43,215,418	37.05

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$335,226	\$1,651,526
2009-2010	481,408	1,141,677
2010-2011	335,226	1,757,247
2011-2012 (Unaudited)	669,466	1,990,011
2012-2013 (Budgeted)	907,140	2,224,563

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, 2012, 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 \$85,093,275. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$85,093,275. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$15,526,824. The District's annual OPEB expense was 8,104,991 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$2,298,089 to the Plan for the fiscal year ending June 30, 2012 to 400 employees, resulting in a net increase to its unfunded OPEB obligation of \$5,806,902, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$21,373,726. The aforementioned liability and ARC will be 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 unaudited information from the District.

Recent Operating Results

The District's expenditures exceeded its revenues by \$1,283,900 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$4,844,226 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$2,360,512	\$1,619,843	\$1,404,949	\$2,145,619
2013-2014	2,361,063	1,620,378	1,407,200	2,147,886
2014-2015	2,357,957	1,619,668	1,406,400	2,144,690
2015-2016	2,260,083	1,619,603	1,404,000	2,044,481
2016-2017	2,206,150	1,619,963	1,404,000	1,990,188
2017-2018	2,203,715	1,620,528	1,406,250	1,989,438
2018-2019	2,204,140	1,619,553	1,405,500	1,990,088
2019-2020	2,205,135	1,619,798	1,401,750	1,987,088
2020-2021	574,838	-	-	574,838
2021-2022	578,588	-	-	578,588

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**APPENDIX C-41
DESCRIPTION OF
SOUTH GLENS FALLS CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-41 a brief description of the South Glens Falls 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

Located in the northeastern section of upstate New York's Saratoga County, the District spans approximately fifty square miles of an area which offers village, suburban, and rural settings to the prospective resident. The District encompasses all of the Town of Moreau (including the Village of South Glens Falls) and northern segments of the Towns of Northumberland and Wilton.

Intersected by Interstate #87, a major north-south expressway, the District offers convenient accessibility to metropolitan centers while being situated within minutes of the unrivaled recreational opportunities and scenic splendor of the Adirondack Mountains and Saratoga region.

With an overall pupil population of over 3,300, the District operates six well-maintained and functional schools. Four elementary schools each house grades kindergarten through six and essentially serve the neighborhood population areas in which they are located. Secondary school programs are offered in separate middle (grades 6-8) and senior high school buildings.

Recent economic developments in and around the District include the construction of 1,000 new residential homes to be built in the town of Moreau. The project has recently been approved however, a construction timeline has not been determined.

Population

The current estimated population of the District is 19,577 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Glens Falls Hospital	Hospital	2,000 (Regional) ⁽¹⁾
National Grid (formerly Niagara Mohawk Power Corporation)	Utility	1,500 (Regional) ⁽¹⁾
Finch Pruyn & Company, Inc.	Manufacturing	1,000
South Glens Falls Central School District	Education	749
ENCORE Paper Company	Manufacturing	250

⁽¹⁾ Regional refers to a three county area of approximately 100 square miles.

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Erie Boulevard Hydropower	Utility	\$154,983,836
Target Corporation	Warehouse	72,500,000
Ace Hardware Corporation	Retail	38,300,000
National Grid (formerly Niagara Mohawk Power Corporation)	Utility	35,352,277
SCA Tissue North America	Manufacturing	26,288,700

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 21.55% 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 Saratoga County.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Saratoga County	3.7%	4.6%	6.4%	6.8%	6.6%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	3,463	3,466	3,444	3,424	3,354	3,396	3,401

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
278	New York State United Teachers	June 30, 2014
Varies	Southern Adirondack Substitute Teacher Alliance	June 30, 2013
219	Civil Service Employees' Association	June 30, 2013
9	South Glens Falls Administrators' Association	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$1,760,969,301
Debt Limit (10% of Full Valuation)	176,096,930
Gross Indebtedness ⁽²⁾	\$38,604,229
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$38,604,229
Net Debt Contracting Margin	\$137,492,701
Percentage of Debt Contracting Power Exhausted	21.92%

(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 \$12,675,000 School District Bonds to the Authority in connection with the refunding of \$13,990,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Saratoga	\$69,125,000	\$0	\$69,125,000	6.56%	\$4,534,600
Towns of:					
Moreau	6,117,922	6,117,922	0	99.00	0
Northumberland	105,000	0	105,000	30.78	32,319
Wilton	345,000	345,000	0	15.68	0
Village of:					
South Glens Falls	0	0	0	100.00	0
				Total	\$4,566,919

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$38,604,229	\$1,971.92	2.19%
Gross Indebtedness Plus Net Overlapping Indebtedness	43,171,148	2,205.20	2.45

- (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 19,577.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-13 of \$1,760,969,301.
- (4) The District expects to deliver \$12,675,000 School District Bonds to the Authority in connection with the refunding of \$13,990,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The following is a history of Revenue Anticipation Note (“RAN”) borrowings for the last five years.

<u>Fiscal Year</u>	<u>Amount</u>	<u>Type</u>	<u>Issue Date</u>	<u>Due Date</u>
2007-2008	\$5,000,000	RAN	7/05/2007	7/03/2008
2008-2009	5,000,000	RAN	6/19/2008	6/19/2009

The District does not expect to issue Revenue Anticipation Notes and or Tax Anticipation 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 system of the Municipal Securities Rulemaking Board and are incorporated by reference herein.

South Glens Falls Central School District
<http://emma.msrb.org/ER539553-ER417524-ER819439.pdf>
 Base CUSIP: 838039

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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Moreau	\$337,812,940	\$338,771,640	\$1,265,592,727 ⁽¹⁾	\$1,271,379,087	\$1,280,636,925
Northumberland	96,113,682	103,383,175	104,529,586	105,038,902	105,612,643
Wilton	282,627,145 ⁽¹⁾	288,021,553	368,155,312 ⁽¹⁾	370,011,237	374,719,733
Total Assessed Valuation	<u>\$716,553,767</u>	<u>\$730,176,368</u>	<u>\$1,738,277,625</u>	<u>\$1,746,429,226</u>	<u>\$1,760,969,301</u>

⁽¹⁾ Significant change due to town-wide revaluation

State Equalization Rates Years Ending June 30,

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Moreau	32.00%	31.80%	100.00% ⁽¹⁾	100.00%	100.00%
Northumberland	89.00	100.00	100.00	100.00	100.00
Wilton	100.00	100.00	100.00	100.00	100.00
Taxable Full Valuation	\$1,446,285,484	\$1,456,724,351	\$1,738,277,625	\$1,746,429,226	\$1,760,969,301

⁽¹⁾ Significant change due to Town wide revaluation

Total District Property Tax Collections Years Ending June 30,

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$23,577,906	\$23,483,989	\$24,227,372	\$24,934,517	\$25,555,488
% Uncollected When Due ⁽¹⁾	4.00%	4.57%	6.00%	5.13%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$25,776,972	\$51,409,817	50.14%
2009-2010	24,160,735	50,720,300	47.64
2010-2011	21,426,791	48,589,337	44.10
2011-2012 (Unaudited)	21,866,531	51,238,670	42.68
2012-2013 (Budgeted)	22,136,349	50,903,421	43.50

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$364,093	\$1,317,452
2009-2010	381,127	1,416,587
2010-2011	715,706	1,620,791
2011-2012 (Unaudited)	777,218	2,208,739
2012-2013 (Budgeted)	842,923	2,332,641

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

GASB 45 and OPEB

The District contracted with Green Mountain Benefits to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$66,326,820. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$66,326,820. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$11,469,567. The District's annual OPEB expense was \$6,142,517 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$1,786,053 to the Plan for the fiscal year ending June 30, 2012 to 498 employees, resulting in a net increase to its unfunded OPEB obligation of \$4,139,882, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$15,609,449. The aforementioned liability and ARC are recognized and will be disclosed in accordance with GASB 45 standards in the District's June 30, 2012 financial statements. The District has reserved \$4,443,846 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB.*"

Note: This information has been developed pursuant to unaudited information from the District.

Recent Operating Results

The District's expenditures exceeded its revenues by \$286,653 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$1,124,550 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.*"

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$6,893,966	\$2,807,085	\$2,473,910	\$6,560,791
2013-2014	6,883,055	2,807,380	2,476,900	6,552,575
2014-2015	6,869,104	2,807,515	2,478,500	6,540,089
2015-2016	6,853,471	2,806,160	2,471,500	6,518,811
2016-2017	6,833,902	2,808,040	2,469,750	6,495,612
2017-2018	6,819,404	2,806,605	2,472,750	6,485,549
2018-2019	808,075	-	-	808,075
2019-2020	808,653	-	-	808,653
2020-2021	812,653	-	-	812,653
2021-2022	810,075	-	-	810,075
2022-2023	806,028	-	-	806,028
2023-2024	624,450	-	-	624,450
2024-2025	376,200	-	-	376,200

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**APPENDIX C-42
DESCRIPTION OF
SOUTH LEWIS CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-42 a brief description of the South Lewis 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 County of Lewis. The City of Rome is approximately 20 miles to the south, the City of Watertown approximately 30 miles northeast and the Village of Lowville 15 miles to the north. Major highways bisecting the District include State Routes #12, #12D and #26.

The District is primarily residential and agricultural in nature. It is also known as a year-around tourist area, with winter sports being the primary recreation. Commercial and professional services are located in the Village of Turin, as well as in nearby communities as aforementioned.

Population

The current estimated population of the District is 6,799 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
South Lewis CSD	Public Education	225
Snow Ridge (seasonal)	Ski Resort	100
Otis Technology	Manufacturer	62
Marks Farm	Farm	50
Burrows Paper Company	Manufacturer	41

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
State of New York	State Land	\$42,503,279
Iroquois Gas	Utility	20,786,683
National Grid	Utility	17,947,990
Fortisus	Commercial	13,073,700
Northbrook	Farm	7,012,400

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 19.71% 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				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Lewis County	5.5%	6.7%	8.9%	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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	1,130	1,122	1,100	1,080	1,080	1,080	1,080

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
108	South Lewis Non-Teachers' Association (Civil Service Employees' Association)	June 30, 2013
99	South Lewis Teachers' Association	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$592,871,285
Debt Limit (10% of Full Valuation)	59,287,129
Gross Indebtedness ⁽²⁾	\$20,907,282
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$20,907,282
Net Debt Contracting Margin	\$38,379,847
Percentage of Debt Contracting Power Exhausted	35.26%

(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 \$1,285,000 School District Bonds to the Authority in connection with the refunding of \$1,255,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Lewis	\$18,047,115	\$0	\$18,047,115	32.33%	\$5,834,632
Towns of:					
Greig	250,000	250,000	0	98.51	0
Leyden	0	0	0	74.80	0
Lyonsdale	57,141	57,141	0	95.84	0
Martinsburg	1,958,664	1,958,664	0	30.36	0
Osceola	22,598	22,598	0	3.32	0
Turin	475,000	475,000	0	88.55	0
Watson	0	0	0	31.59	0
West Turin	0	0	0	98.32	0
Village of:					
Turin	272,880	272,880	0	100.00	0
				Total	\$5,834,632

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$20,907,282	\$3,075.05	3.53%
Gross Indebtedness Plus Net Overlapping Indebtedness	26,741,914	3,933.21	4.51

- (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 6,799.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-2013 of \$592,871,285.
- (4) The District expects to deliver \$1,285,000 School District Bonds to the Authority in connection with the refunding of \$1,255,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

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.

South Lewis Central School District
<http://emma.msrb.org/ER548396-ER425109-ER827226.pdf>
 Base CUSIP: 838706.

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

Property taxes for the District are collected by the District tax collector. Such taxes are due and payable on September 1, but may be paid without penalty by September 30. Penalties on unpaid taxes are 2% from October 1 through October 31.

On or about November 1, the tax collector files a report of any uncollected school taxes with the County. The County thereafter on or before April 30 pays to the District the amount of its uncollected taxes. Thus, the District receives its full levy prior to the end of its fiscal year.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Greig	\$183,384,382	\$199,022,572	\$199,414,642	\$200,813,693	\$201,878,665
Leyden	55,420,565	59,013,050	60,921,496	59,627,422	60,860,240
Lyonsdale	105,099,181	84,464,183	77,571,237	76,932,892	77,154,304
Martinsburg	18,392,354	18,889,146	18,853,592	19,078,802	20,549,343
Osceola	1,357,925	1,470,484	1,430,915	1,024,935	1,024,127
Turin	15,540,880	47,283,209	47,464,785	47,274,088	47,365,276
Watson	48,678,064	54,154,260	54,211,754	54,792,693	58,275,901
West Turin	6,040,947	6,157,238	6,114,010	124,917,753 ⁽¹⁾	124,451,769
Total Assessed Valuation	<u>\$433,914,298</u>	<u>\$470,454,142</u>	<u>\$465,982,431</u>	<u>\$584,462,278</u>	<u>\$591,559,625</u>

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

State Equalization Rates Years Ending June 30,

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Greig	100.00%	100.00%	100.00%	100.00%	100.00%
Leyden	100.00	100.00	100.00	100.00	100.00
Lyonsdale	100.00	92.41	94.57	98.47	100.00
Martinsburg	100.00	100.00	100.00	100.00	94.00
Osceola	100.00	100.00	100.00	100.00	100.00
Turin	100.00	100.00	100.00	100.00	100.00
Watson	100.00	100.00	100.00	100.00	100.00
West Turin	6.00	5.35	5.00	100.00 ⁽¹⁾	100.00
Taxable Full Valuation	\$528,555,801	\$586,322,843	\$586,602,590	\$585,657,640	\$592,871,285

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

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$7,094,773	\$7,221,769	\$7,427,308	\$7,643,861	\$7,835,223
% Uncollected When Due ⁽¹⁾	11.31%	10.15%	9.09%	9.37%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$14,651,589	\$22,489,154	65.15%
2009-2010	13,997,164	22,670,571	61.74
2010-2011	13,473,521	22,329,714	60.34
2011-2012 (Unaudited)	14,737,163	23,681,299	62.23
2012-2013 (Budgeted)	15,113,232	23,750,734	63.63

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$337,568	\$499,129
2009-2010	211,441	599,069
2010-2011	214,221	639,110
2011-2012 (Unaudited)	497,920	757,080
2012-2013 (Budgeted)	630,000	960,000

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, 2012, 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 \$23,507,049. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$23,507,049. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$4,945,389. The District's annual OPEB expense was \$2,379,858 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$562,491 to the Plan for the fiscal year ending June 30, 2012 to 124

employees, resulting in a net increase to its unfunded OPEB obligation of \$2,379,858, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$6,762,756. The aforementioned liability and ARC are recognized and will be 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 unaudited information from the District.

Recent Operating Results

The District’s revenues exceeded its expenditures by \$111,540 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$2,183,941 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.*”

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$4,131,103	\$1,324,025	\$1,320,445	\$4,127,523
2013-2014	2,787,736	-	-	2,787,736
2014-2015	2,697,581	-	-	2,697,581
2015-2016	2,668,034	-	-	2,668,034
2016-2017	1,802,563	-	-	1,802,563
2017-2018	1,736,754	-	-	1,736,754
2018-2019	1,669,269	-	-	1,669,269
2019-2020	1,669,519	-	-	1,669,519
2020-2021	1,671,769	-	-	1,671,769
2021-2022	1,670,769	-	-	1,670,769
2022-2023	1,666,519	-	-	1,666,519
2023-2024	1,668,519	-	-	1,668,519
2024-2025	1,673,119	-	-	1,673,119
2025-2026	813,150	-	-	813,150

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**APPENDIX C-43
DESCRIPTION OF
SOUTHWESTERN CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-43 a brief description of the Southwestern 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 comprises an area of approximately 46.15 square miles at the west end of the City of Jamestown. The District is located approximately 40 miles east of Erie, Pennsylvania and seventy miles southwest of the City of Buffalo. A major portion of the Town of Busti is within the District, with small portions of the Towns of Ellicott and Harmony. The area includes many residential areas, some rural areas, and many commercial and business districts, including a large mall in the Village of Lakewood.

The County is home to the Chautauqua Institution, Jamestown Community College, and also includes many recreational facilities. There are several four-year colleges within a seventy-mile radius of the District.

Transportation within the District includes air service available in the City of Jamestown. Route 394 passes through the District and Interstate 86, the Southern Tier Expressway, is accessible nearby.

Population

The current estimated population of the District is 9,613 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Resource Center Medical	Medical	1,310
Lutheran Social Services	Residential Care	475
Southwestern Central School District	Public Schools	326
Wegmans Markets	Supermarkets	300
Wal-Mart	Retail	250

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Debartolo Capital	Commercial	\$9,800,000
Wal-Mart Real Estate Bus. Trust	Retail	8,270,000
Emeritol LO Lakewood LLC	Health Care Facility	5,902,000
National Industrial Portfolio Borrower, LLC	Industrial	5,760,000
HD Development of Maryland Inc.	Industrial	4,900,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 8.74% 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 Chautauqua County.

	Year Average				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Chautauqua County	4.6%	5.5%	8.4%	8.8%	7.9%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	1,635	1,512	1,542	1,465	1,440	1,400	1,380

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
135	Southwestern Teachers' Association	June 30, 2013
70	Civil Service Employees' Association	June 30, 2012 ⁽¹⁾
6	Southwestern 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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$595,202,477
Debt Limit (10% of Full Valuation)	59,520,248
Gross Indebtedness ⁽²⁾	\$33,594,289
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$33,594,289
Net Debt Contracting Margin	\$25,925,959
Percentage of Debt Contracting Power Exhausted	56.44%

(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 \$14,455,000 School District Bonds to the Authority in connection with the refunding of \$16,651,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Chautauqua	\$54,558,652	\$72,000	\$54,486,652	8.92%	\$4,860,209
Towns:					
Busti	2,175,500	2,175,500	0	86.12	0
Ellicott	1,110,522	740,870	369,652	37.23	137,621
Harmony	0	0	0	3.04	0
Villages:					
Celeron	62,900	0	62,900	94.63	59,522
Lakewood	283,169	133,169	150,000	93.87	140,805
				Total	\$5,198,158

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$33,594,289	\$3,494.67	5.64%
Gross Indebtedness Plus Net Overlapping Indebtedness	38,792,447	4,035.42	6.52

- (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 9,613.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-2013 of \$595,202,477.
- (4) The District expects to deliver \$14,455,000 School District Bonds to the Authority in connection with the refunding of \$16,651,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

The District is currently considering a small project (approximately \$600,000) using unspent proceeds from previous capital projects.

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.

Southwestern Central School District
<http://emma.msrb.org/EP587559-EP460242-EP860268.pdf>
 Base CUSIP: 845376

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

School tax payments are due September 4, payable to October 5 without penalty. A 2% penalty is added for taxes paid between October 6 and November 5. All taxes remaining unpaid after that date are turned over to the County Commissioner of Finance on November 22. The County reimburses the District in full, plus the 2% penalty, before the end of the fiscal year in which the taxes were levied. The District is not responsible for the collection of taxes of any other unit of government.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Busti	\$389,852,926	\$415,994,454	\$420,018,557	\$421,226,957	\$415,484,675
Ellicott	169,337,909	175,995,534	176,243,140	175,337,906	177,210,681
Harmony	2,479,940	2,424,172	2,586,016	2,495,856	2,456,979
Total Assessed Valuation	<u>\$561,670,775</u>	<u>\$594,414,160</u>	<u>\$598,847,713</u>	<u>\$599,060,719</u>	<u>\$595,152,335</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Busti	100.00%	100.00%	100.00%	100.00%	100.00%
Ellicott	100.00	100.00	100.00	100.00	100.00
Harmony	100.00	99.00	99.00	99.00	98.00
Taxable Full Valuation	\$561,857,437	\$594,414,160	\$598,873,834	\$599,085,930	\$595,202,477

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$11,609,132	\$11,609,130	\$11,878,339	\$11,878,229	\$12,084,548
% Uncollected When Due ⁽¹⁾	11.48%	7.2%	6.03%	6.30%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$12,025,957	\$24,179,459	49.74%
2009-2010	11,216,513	24,211,272	46.33
2010-2011	10,860,305	23,702,881	45.82
2011-2012 (Unaudited)	11,464,587	25,740,309	44.54
2012-2013 (Budgeted)	11,213,865	25,739,850	43.57

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$188,000	\$856,000
2009-2010	158,000	754,000
2010-2011	279,000	635,000
2011-2012 (Unaudited)	285,000	1,007,272 ⁽¹⁾
2012-2013 (Budgeted)	420,577	1,043,267

⁽¹⁾ The District's payments to the TRS increased in 2011-2012 due to an increase in the contribution rate.

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

GASB 45 and OPEB

The District contracted with the Burke 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 \$19,243,948. The actuarial value of the Plan's assets was \$0.00, resulting in an unfunded actuarial accrued liability (UAAL) of \$19,243,948. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was \$833,219. The District's annual OPEB expense was \$1,340,862 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$879,726 to the Plan for the fiscal year ending June 30, 2011 to 494 employees, resulting in a net increase to its unfunded OPEB obligation of \$461,136, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of \$1,294,355. The aforementioned liability and ARC are recognized and will be disclosed in accordance with GASB 45 standards in the District's June 30, 2012 financial statements. The District has reserved \$0.00 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB.*"

Note: This information has been developed pursuant to unaudited information from the District.

Recent Operating Results

The District's revenues and planned use of fund balance and reserves exceeded its expenditures by \$386,613 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$1,019,559 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$3,926,234	\$2,079,953	\$1,768,221	\$3,614,503
2013-2014	3,929,050	2,081,393	1,771,000	3,618,658
2014-2015	3,882,161	2,080,148	1,770,750	3,572,764
2015-2016	3,868,050	2,081,163	1,772,750	3,559,638
2016-2017	3,857,315	2,080,108	1,771,750	3,548,958
2017-2018	3,855,402	2,079,873	1,767,750	3,543,280
2018-2019	3,832,558	2,079,078	1,770,750	3,524,231
2019-2020	3,819,461	2,080,030	1,770,250	3,509,681
2020-2021	3,648,209	2,080,415	1,771,250	3,339,044
2021-2022	3,547,673	2,080,023	1,768,500	3,236,151
2022-2023	1,734,895	264,643	227,000	1,697,253
2023-2024	1,180,100	264,300	223,500	1,139,300
2024-2025	686,150	264,950	224,750	645,950
2025-2026	265,050	265,050	225,500	225,500
2026-2027	264,600	264,600	220,750	220,750
2027-2028	264,600	264,600	225,750	225,750

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**APPENDIX C-44
DESCRIPTION OF
SWEET HOME CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-44 a brief description of the Sweet Home 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 occupies an area of 13 square miles and is located in the northern part of Erie County, approximately two miles northeast of the City of Buffalo. Approximately 85% of the District is in the Town of Amherst with the remainder of the District located in the Town of Tonawanda. The character of the District is both residential and commercial with some limited industrial development.

Located within the District is the 1,000 acre campus of the State University of New York (SUNY) at Buffalo (Amherst Campus). The University is the major employer within the District, employing approximately 7,500 persons and serving approximately 29,048 students.

Transportation facilities include the New York State Thruway, the Niagara Frontier Transportation Authority and a network of highways, including U.S. Route 62, Interstate Highways 290 and 90, and New York State Route 324. Several major airlines operate from the Buffalo/Niagara International Airport.

Electricity is supplied throughout the District by National Grid. Water is purchased from the Erie County Water Authority. The District is serviced by the Towns of Tonawanda and Amherst sewer and water treatment facilities.

Police protection is provided by the police departments of the respective towns; fire protection and ambulance service is provided by local volunteer units.

Population

The current estimated population of the District is 36,410 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
SUNY Buffalo (Amherst Campus)	Education	3,000
Goodyear Dunlop Tires	Manufacturing	1,450
North American Health Plans	Health Insurance	589
International Imaging Materials	Manufacturing	568
Empire of America	Banking Processing Center	450

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
BG Boulevard	Retail	\$64,215,500
Benderson Development	Retail/Development	45,426,200
Boulevard Mall	Retail	41,634,400
Marriott Hotel	Hotel	27,864,000
Uniland Development	Office	27,157,600

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 13.96% 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 Erie County.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Erie County	4.8%	5.7%	8.2%	8.3%	7.9%
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	3,638	3,599	3,542	3,457	3,500	3,485	3,470

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
342	Sweet Home Service Employees Association	June 30, 2012 ⁽¹⁾
314	Sweet Home Education Association	June 30, 2015
19	Sweet Home Administrators and Supervisors 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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$2,097,994,865
Debt Limit (10% of Full Valuation)	209,799,486
Gross Indebtedness ⁽²⁾	\$44,262,000
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$44,262,000
Net Debt Contracting Margin	\$165,537,486
Percentage of Debt Contracting Power Exhausted	21.10%

(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 \$3,040,000 School District Bonds to the Authority in connection with the refunding of \$3,202,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Erie	\$495,117,453	\$78,425,649	\$416,691,804	4.49%	\$18,709,462
Towns:					
Amherst	83,542,358	1,429,869	82,112,489	21.55	17,695,241
Tonawanda	45,945,381	8,024,935	37,920,446	8.44	3,200,486
				Total	\$39,605,189

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$44,262,000	\$1,215.66	2.11%
Gross Indebtedness Plus Net Overlapping Indebtedness	83,867,189	2,303.41	4.00

- (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 36,410.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-2013 of \$2,097,994,865
- (4) The District expects to deliver \$3,040,000 School District Bonds to the Authority in connection with the refunding of \$3,202,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

<u>Fiscal Year</u>	<u>Amount</u>	<u>Type</u>	<u>Issue Date</u>	<u>Due Date</u>
2007-2008	\$12,000,000	TAN	7/5/07 & 6/25/08	11/05/07 & 11/25/08
2008-2009	6,000,000	TAN	6/18/09	10/30/09
2009-2010	6,000,000	TAN	6/18/10	11/12/10
2010-2011	6,000,000	TAN	6/17/11	11/10/11
2011-2012	6,000,000	TAN	6/22/12	11/9/12

Capital Project Plans

The District is planning to undertake an Energy Performance Contract and possibly another New York State Expanding our Children’s Education and Learning (“EXCEL”) aid project in the 2012-13 school year. Neither of these projects will require a local share contribution and will probably start in the 2012-13 school 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.

Sweet Home Central School District
<http://emma.msrb.org/ER547447-ER424198-ER826333.pdf>
 Base CUSIP: 870402

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 by October 15th. Taxes paid after October 15th are subject to a penalty. The penalty added to delinquent taxes is one-twelfth the rate of interest determined by the State Commissioner of Taxation and Finance. The rate is determined each year by July 15th based on the one-year constant maturity yield index for United States Treasury securities for the quarter-year ending on the immediately preceding June 30th. The rate is effective for a twelve month period commencing August 1 each year and in no event will be less than twelve per centum per annum. All taxes remaining unpaid after November 30th are turned over to the County for collection. The County reimburses the District in full before the end of the District's fiscal year.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Amherst	\$1,494,910,256	\$1,800,135,053	\$1,747,764,216	\$1,740,567,544	\$1,759,801,501
Tonawanda	160,856,139	160,584,871	159,931,650	159,115,299	158,950,881
Total Assessed Valuation	<u>\$1,655,766,395</u>	<u>\$1,960,719,924</u>	<u>\$1,907,695,866</u>	<u>\$1,899,682,843</u>	<u>\$1,918,752,382</u>

State Equalization Rates Years Ending June 30,

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Amherst	92.00%	100.00%	100.00%	100.00%	100.00%
Tonawanda	51.50	48.50	48.50	46.75	47.00
Taxable Full Valuation	\$1,937,244,470	\$2,131,237,880	\$2,077,520,195	\$2,080,921,125	\$2,097,994,865

Total District Property Tax Collections Years Ending June 30,

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$27,366,543	\$27,613,756	\$30,445,449	\$32,766,297	\$37,793,144
% Uncollected When Due ⁽¹⁾	2.55%	2.58%	2.14%	2.05%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
2008-2009	\$23,806,357	\$62,033,434	38.38%
2009-2010	21,652,092	61,901,420	34.98
2010-2011	20,349,468	62,412,083	32.61
2011-2012 (Unaudited)	20,026,167	63,581,100	31.50
2012-2013 (Budgeted)	19,922,863	67,333,007	29.59

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$692,380	\$1,923,503
2009-2010	626,636	1,632,525
2010-2011	1,027,730	2,280,269
2011-2012 (Unaudited)	1,366,023	2,863,364
2012-2013 (Budgeted)	1,680,722	3,315,653

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

GASB 45 and OPEB

The District contracted with Burke Group to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2012, 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 \$5,634,702. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$5,634,702. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$82,261. The District's annual OPEB expense was \$345,072 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$251,713 to the Plan for the fiscal year ending June 30, 2012 to 591 participants, resulting in a net increase to its unfunded OPEB obligation of \$93,359, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$175,620. 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$211,737 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$2,578,590 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*."

Note: This information has been developed pursuant to unaudited information from the District.

Historical Continuing Disclosure Compliance

The District has one instance of failing to comply with a prior continuing disclosure agreement as a result of making a late filing to the MSRB as required by Rule 15c2-12. In 2008, the District filed its audited financial statements for the year ended June 30, 2007 three months late. The District has certified to the Authority that it is otherwise in the previous five years complied, in all material respects, with any previous undertakings pursuant to Rule 15c2-12.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$6,776,100	\$522,101	\$475,510	\$6,729,508
2013-2014	5,793,750	600,403	549,900	5,743,248
2014-2015	5,167,837	600,843	546,400	5,113,395
2015-2016	4,914,172	599,693	553,000	4,867,480
2016-2017	4,916,027	600,128	548,600	4,864,500
2017-2018	4,930,091	599,478	548,600	4,879,214
2018-2019	4,545,895	223,130	202,800	4,525,565
2019-2020	4,332,848	-	-	4,332,848
2020-2021	4,325,349	-	-	4,325,349
2021-2022	4,316,915	-	-	4,316,915
2022-2023	2,036,953	-	-	2,036,953
2023-2024	2,041,390	-	-	2,041,390
2024-2025	1,811,888	-	-	1,811,888
2025-2026	1,803,505	-	-	1,803,505
2026-2027	1,504,912	-	-	1,504,912

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**APPENDIX C-45
DESCRIPTION OF
UNION-ENDICOTT CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-45 a brief description of the Union-Endicott 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 geographical location known as the Southern Tier. The District has 88% of its full valuation in the Town of Union in Broome County, and 12% in the Town of Owego in Tioga County. The District is located in the Village of Endicott, four miles west of the City of Binghamton. The District encompasses approximately 55 square miles. It includes approximately 53% of the Town of Union.

Residents may be employed in any of over 100 manufacturing firms in the County including: Endicott Interconnect Technology (EIT) supplier of advanced electronic packaging solutions including printed circuit board fabrication, semiconductor packaging and assembly services; BAE Systems, manufacturer of cockpit displays, simulation systems, engine controls and condition monitoring, and spacecraft controls; Universal Instruments Corporation, manufacturer of printed circuit board assembly machines, component preparation machines and semi-automatic wire-termination machines; Raymond Corporation, manufacturer of narrow-aisle electric fork-lift trucks; and Lockheed Martin supplier of federal systems and defense solutions. Several utilities also have offices in the County including New York State Electric and Gas Corporation and Verizon.

The Village of Endicott owns and operates a library and an airport which accommodates private and corporate aircraft. The Village also owns the En-Joie Public Golf Club, which is the site of the PGA’s Annual Dick’s Senior Open Golf Tournament.

The District is a part of a metropolitan area that enjoys a significant diversified economic base in addition to its residential and commercial land use. Major employers located within the area are shown under “Larger Employers” herein.

Population

The current estimated population of the District is 31,659 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Binghamton University (SUNY)	Education	4,706
United Health Services	Private Hospital	3,500
Lockheed Martin Corporation	Electronics	3,500
Broome and Tioga Counties	Government	2,200
Endicott Interconnect Technologies	Computers	1,500

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Millennium Pipeline Co., LLC	Utility	2,071,165
Huron	Manufacturing	1,816,750
New York State Electric & Gas	Utility	1,677,883
Glenncott	Manufacturing	1,228,297
602 Partners LLC	Apartments	366,993

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 4.7 % 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 Broome and Tioga County.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Broome County	4.5%	5.6%	8.3%	8.9%	8.5%
Tioga County	4.8	5.3	8.2	8.2	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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	4,596	4,463	4,242	4,429	4,343	4,450	4,450

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
408	Endicott Teachers' Association	June 30, 2015
136	Aids/Monitors	June 30, 2015
72	Office Personnel	June 30, 2015
66	Maintenance	June 30, 2015
52	Transportation Employees	June 30, 2015
49	Cafeteria	June 30, 2015
30	Union-Endicott Administrators Association	June 30, 2015
12	Unaffiliated	June 30, 2015
8	Computer Services	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 September 18, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$1,342,987,774
Debt Limit (10% of Full Valuation)	134,298,777
Gross Indebtedness ⁽²⁾	\$54,747,452
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$54,747,452
Net Debt Contracting Margin	\$79,551,325
Percentage of Debt Contracting Power Exhausted	40.77%

(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 \$9,920,000 School District Bonds to the Authority in connection with the refunding of \$11,173,000 of the District's outstanding school district serial bonds, Series 2002, which 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 District	Applicable Net Indebtedness
Counties of:					
Broome	\$199,915,569	\$40,874,911	\$159,040,658	14.6%	\$23,219,936
Tioga	11,185,000	2,185,000	9,000,000	7.6	684,000
Towns of:					
Owego	9,954,640	2,352,000	7,602,640	16.1	1,224,025
Union	5,138,039	328,839	4,809,200	48.0	2,308,416
Village of:					
Endicott	11,840,500	0	11,840,500	100.0	11,840,500
Fire Districts:					
Endwell	1,220,000	0	1,220,000	20.0	244,000
West Corners	0	0	0	100.0	0
West Endicott	200,000	0	200,000	100.0	0
				Total	\$39,520,877

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$54,747,452	\$1,729.28	4.07%
Gross Indebtedness Plus Net Overlapping Indebtedness	94,268,329	2,977.62	7.02

- (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 31,659.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2012-2013 of \$1,342,987,774.
- (4) The District expects to deliver \$9,920,000 School District Bonds to the Authority in connection with the refunding of \$11,173,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The District issued \$2,000,000 of Revenue Anticipation Notes in the 2002-2003 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

On February 26, 2007, the District adopted a bond resolution authorizing the issuance of \$29,757,000 to pay the cost of capital improvements in and for said District. To date, the District has issued \$28,364,602 against this authorization. The District currently has \$25,417,234 bond anticipation notes outstanding and maturing June 27, 2013. The District anticipates permanently financing the outstanding notes in June 2013. The total amount of borrowed funds, together with \$1,392,398 in New York State Expanding our Children’s Education and Learning (“EXCEL”) aid, will utilize the entire authorized amount for the project.

In October 2008, the District authorized a project for \$4,476,419 (\$725,000 capital reserve and \$3,751,419 serial bonds) for replacement of an elevator and construction of a flood wall at the High School. The District permanently financed a portion of this project through the issuance of \$2,546,400 serial bonds on July 15, 2010. The District issued an additional \$751,419 in bond anticipation notes on September 30, 2010, which were renewed in full on August 4, 2011, and on August 3, 2012 the District renewed \$600,000 of the outstanding notes, which mature on June 27, 2013. Pending construction status and receipt of any additional FEMA monies, the District may permanently finance the outstanding notes at maturity in June 2013 through the issuance of bonds or pay off the Notes at maturity. In addition to the bonds, the District will utilize \$453,600 in FEMA funds and \$725,000 in capital reserves, utilizing the entire authorized amount for this project.

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.

Union-Endicott Central School District
<http://emma.msrb.org/ER538971-ER417026-ER818888.pdf>
 Base CUSIP: 906582

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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Owego	\$136,493,139	\$138,953,814	\$139,412,043	\$139,189,163	\$139,109,444
Union	62,190,144	62,044,839	62,040,044	61,901,176	56,701,397
Total Assessed Valuation	<u>\$198,683,283</u>	<u>\$200,998,653</u>	<u>\$201,452,087</u>	<u>\$201,090,339</u>	<u>\$195,810,841</u>

	State Equalization Rates Years Ending June 30,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Owego	78.00%	71.00%	76.00%	81.00%	80.00%
Union	4.64	4.31	4.43	4.70	4.85
Taxable Full Valuation	\$1,515,296,031	\$1,635,265,026	\$1,583,889,359	\$1,488,884,771	\$1,342,987,774

Total District Property Tax Collections Years Ending June 30,

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$26,395,466	\$26,491,119	28,860,764	\$29,665,681	\$30,560,974
% Uncollected When Due ⁽¹⁾	6.38%	5.22%	5.57%	4.95%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$30,527,631	\$66,699,797	45.77%
2009-2010	27,839,251	67,122,863	41.48
2010-2011	27,476,566	66,651,313	41.22
2011-2012 (Unaudited)	26,910,861	65,041,482	41.37
2012-2013 (Budgeted)	28,496,988	67,693,764	42.10

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$536,987	\$2,350,194
2009-2010	468,902	2,145,933
2010-2011	862,945	1,818,200
2011-2012 (Unaudited)	1,235,000	2,225,000
2012-2013 (Budgeted)	1,313,000	2,655,709

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, 2012, 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 \$146,794,969. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$146,794,969. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$24,604,058. The District's annual OPEB expense was \$14,784,686 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$0 to the Plan for the fiscal year ending June 30, 2012 to 659 employees, resulting in a net increase to its unfunded OPEB obligation of \$10,460,125 for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$35,064,183. 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$128,935 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$2,611,639 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$3,695,356	\$1,200,158	\$1,044,233	\$3,539,432
2013-2014	3,617,427	1,378,375	1,221,475	3,460,527
2014-2015	3,555,291	1,378,168	1,211,400	3,388,523
2015-2016	3,477,787	1,378,258	1,212,625	3,312,154
2016-2017	3,217,268	1,185,136	1,035,500	3,067,632
2017-2018	3,228,878	1,185,034	1,031,000	3,074,844
2018-2019	3,232,024	1,184,443	1,035,000	3,082,581
2019-2020	3,234,034	1,185,540	1,032,000	3,080,494
2020-2021	2,861,886	802,111	682,250	2,742,025
2021-2022	2,605,258	802,689	683,000	2,485,569
2022-2023	1,129,400	801,600	682,500	1,010,300
2023-2024	1,128,200	802,200	685,750	1,011,750
2024-2025	1,031,000	802,200	677,500	906,300
2025-2026	801,550	801,550	678,250	678,250
2026-2027	802,200	802,200	682,500	682,500

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**APPENDIX C-46
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF WATERTOWN**

There follows in this Appendix C-46 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, centers around the City of Watertown, and includes all of the City and portions of the Towns of LeRay, Pamela, 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 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

<u>Name</u>	<u>Type</u>	<u>Employees</u>
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	650

⁽¹⁾ This amount includes military and civilians. Both of these sub-amounts are expected to increase substantially with the increased number of troops stationed at the base; however, due to military deployment the actual number of personnel is frequently changing.

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Grid	Utility	\$40,214,403
Erie Blvd Hydro	Utility	15,404,150
Arsenal Street Associates (Price Chopper Plaza)	Shopping Center	12,503,600
WGS Housing Arsenal Associates LLC	Apartment Complex	10,519,000
Ontario Apartments LLC	Housing	9,090,300

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 9.1% 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 Jefferson County.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Jefferson County	5.6%	6.8%	8.9%	9.5%	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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	4,824	4,019	4,213	4,324	4,267	4,267	4,267

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
345	Watertown Educational Association	June 30, 2014
202	Non-union	Annually
96	Instructional Teacher Assistants’ Association	June 30, 2015
52	Civil Service Employees’ Association	June 30, 2012 ⁽¹⁾
43	Educational Cafeteria Workers' Association	June 30, 2013
42	12 Month Clerical and Support Association	June 30, 2012 ⁽¹⁾
15	School Administrators’ Association	June 30, 2011 ⁽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 September 18, 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⁾		
<u>Inclusions</u>		
Bonds.....	\$41,665,000	\$41,665,000
Bond Anticipation Notes.....	3,209,513	3,209,513
Total Inclusions.....	<u>\$44,874,513</u>	<u>\$44,874,513</u>
<u>Exclusions</u>		
Bonds Previously Refunded.....	\$0	\$0
Appropriations.....	2,534,000	2,534,000
Total Exclusions.....	<u>\$2,534,000</u>	<u>\$2,534,000</u>
Total Net Indebtedness.....	\$42,340,513	\$42,340,513
Net Debt Contracting Margin.....	\$31,935,540	\$39,079,163
Percentage of Debt Contracting Power Exhausted.....	57.00%	52.00%

- (1) The District has not incurred any indebtedness since the date of this table. The District expects to deliver \$16,015,000 School District Bonds to the Authority in connection with the refunding of \$18,490,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the percentage of debt contracting power exhausted accordingly.
- (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
County of:					
Jefferson	\$17,845,000	\$0	\$17,845,000	26.0%	\$4,639,700
City of:					
Watertown	28,226,125	14,459,927	13,766,198	100.0	13,766,198
Towns of:					
LeRay	11,744,302	11,744,302	0	18.4	0
Pamelia	4,640,443	4,640,443	0	11.5	0
Rutland	9,176,760	1,820,933	7,355,827	2.9	213,319
Watertown	7,940,417	5,041,437	2,898,980	72.5	2,101,761
				Total	\$20,720,977

(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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	Amount	Per Capita⁽²⁾	Percentage of Full Value⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$44,874,513	\$1,446.21	2.45%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	65,595,490	2,114.01	3.58

(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 2011-2012 of \$1,834,751,879.

(4) The District expects to deliver \$16,015,000 School District Bonds to the Authority in connection with the refunding of \$18,490,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

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 cash flow issuance for the current 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 bonds will permanently finance \$12,532,966 of the outstanding notes and the District has renewed the remainder. \$3,209,513 as a bond anticipation note 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: 942116

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 tables below set forth the assessed and full valuations of taxable real property and the District's real property tax levy for the last five available years. Such assessed and full valuations for the year ended June 30, 2013 are not available as of the date of this Official Statement. Therefore, such valuations and levy are provided for the years ended June 30, 2008 through 2012.

Valuations, Rates and Tax Levy

	Assessed Valuation Years Ending June 30,				
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
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,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
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,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
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,**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Total Tax Levy	\$13,133,524	\$13,556,564	\$13,556,564	\$13,759,913	\$14,035,111
% 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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid</u> ⁽¹⁾	<u>Total Revenues</u> ⁽¹⁾	<u>Percentage of Total Revenues Consisting of State Aid</u> ⁽¹⁾
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 (Unaudited)	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") for the last four completed fiscal years and the budgeted payments for the current fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$377,798	\$2,139,610
2009-2010	356,862	1,959,330
2010-2011	561,124	1,630,258
2011-2012 (Unaudited)	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 Harbridge Consulting Group, 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 \$109,290,494. The actuarial value of the Plan’s assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$109,290,494. For the fiscal year ending June 30, 2011, the District’s beginning year Net OPEB obligation was \$14,362,011. The District’s annual OPEB expense was \$9,956,229 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$3,222,143 to the Plan for the fiscal year ending June 30, 2011, resulting in a net increase to its unfunded OPEB obligation of \$6,734,086, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of \$21,096,097. 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 unaudited information from the District.

Recent Operating Results

The District’s revenues exceeded its expenditures by \$1,300,000 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$9,900,000 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.*”

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$4,716,947	\$2,087,411	\$1,791,763	\$4,421,299
2013-2014	4,711,828	2,099,834	1,801,700	4,413,694
2014-2015	4,484,705	1,869,386	1,583,000	4,198,319
2015-2016	4,484,980	1,868,311	1,578,500	4,195,169
2016-2017	4,485,653	1,869,959	1,582,000	4,197,694
2017-2018	4,484,653	1,868,984	1,583,000	4,198,669
2018-2019	4,481,525	1,868,806	1,581,500	4,194,219
2019-2020	4,492,508	1,869,189	1,587,500	4,210,819
2020-2021	4,479,285	1,869,916	1,580,500	4,189,869
2021-2022	4,481,418	1,869,774	1,586,000	4,197,644
2022-2023	2,979,494	1,870,600	1,578,250	2,687,144
2023-2024	2,974,469	1,868,950	1,577,750	2,683,269
2024-2025	2,570,644	1,870,500	1,584,000	2,284,144
2025-2026	1,960,919	1,530,900	1,291,500	1,721,519
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

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**APPENDIX C-47
DESCRIPTION OF
WEST GENESEE CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-47 a brief description of the West Genesee 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, formed in 1951, encompasses 48 square miles and is comprised of the incorporated Village of Camillus, and portions of the Towns of Camillus, Elbridge, Geddes, Onondaga and Van Buren. The District is located in Onondaga County in central New York State, approximately 5 miles west of the City of Syracuse.

As a suburb of the City of Syracuse, the District is primarily residential and commercial in nature. The District has available to its residents all of the necessary retail and professional services, a majority of which are found in one of several shopping malls located within the District. Many of the District's residents are employed in the various industries, service companies or commercial/retail establishments that constitute the diverse economic base of the Syracuse metropolitan area.

Major highways serving the District or in close proximity include: U.S. Route #5 and Interstate Routes #81, #690 and #90 (The New York State Thruway). Railway transportation is provided by Amtrak with a station located in Syracuse. Centro Bus Lines serves the District providing easy access for residents throughout central New York. Hancock International Airport, located 2 miles north of the City of Syracuse, is served by American, Delta, Northwest, US Airways and JetBlue.

The following services and service providers are afforded to residents of the District: water - Onondaga County Water Authority (OCWA) and Camillus Consolidated Water District; sewer - Onondaga County Sanitary Sewer District and Camillus Consolidated Sewer District; electricity and gas – National Grid and New York State Electric and Gas; police - Town of Camillus Police Department, County Sheriff’s Department and New York State Police; fire - Village of Camillus Fire Department, Fairmount Fire Department, Onondaga Hill Fire Department, Taunton Fire Department and Warrens Fire Department, all of which are volunteer units.

The following banks have offices within the District: JPMorgan Chase Bank; KeyBank, N.A.; HSBC Bank USA; M&T Bank; Bank of America; Citizens Bank and Solvay Bank.

Population

The current estimated population of the District is 31,480 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
Wegmans	Grocery Store	545
Wal-Mart	Retail	476
P & C	Grocery Store	208
Home Depot	Retail	160
Southern Container	Manufacturing-Corrugated Boxes	130

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Grid	Utility	\$41,842,250
Buffalo Main Street, LLC	Commercial	34,431,500
Kings Gate West	Apartments	16,000,000
Benderson Development Company, Inc.	Commercial	15,607,200
Verizon New York, Inc.	Utility	15,327,375

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 8.7% 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.

	<u>Year Average</u>				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Projected 2012-13</u>	<u>Projected 2013-14</u>
K-12	5,146	5,137	5,002	4,943	4,870	4,800	4,800

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
410	West Genesee Teachers' Association	June 30, 2016
224	West Genesee Substitute Teacher Association	June 30, 2016
147	West Genesee Paraprofessionals	June 30, 2016
88	West Genesee Central School Bus Drivers' Union	June 30, 2016
40	West Genesee Custodial Association	June 30, 2016
39	West Genesee Food Service Employees	June 30, 2016
27	West Genesee Office Personnel	June 30, 2016
18	West Genesee Administrators' Association	June 30, 2016
9	West Genesee Mechanics and Mechanics' Helpers Division	June 30, 2016
8	West Genesee Administrators' Association	June 30, 2016
7	West Genesee Maintenance Division Employees	June 30, 2016
1	West Genesee School Lunch Managers	June 30, 2016

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 September 15, 2012⁽¹⁾**

Full Valuation of Taxable Real Property	\$1,944,262,934
Debt Limit (10% of Full Valuation)	194,426,293
Gross Indebtedness ⁽²⁾	\$35,439,520
Less: Exclusions – Estimated Building Aid ⁽³⁾	0
Total Net Indebtedness	\$35,439,520
Net Debt Contracting Margin	\$158,986,773
Percentage of Debt Contracting Power Exhausted	18.23%

(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 \$4,060,000 School District Bonds to the Authority in connection with the refunding of \$4,076,000 of the District's outstanding school district serial bonds, Series 2002, which 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.

<u>Unit</u>	<u>Outstanding Indebtedness⁽¹⁾</u>	<u>Exclusions⁽²⁾</u>	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Onondaga	\$422,114,191	\$206,639,541	\$215,474,650	7.46%	\$16,074,409
Towns of:					
Camillus	3,826,551	3,376,929	449,622	95.66	430,108
Elbridge	442,751	348,751	94,000	0.22	207
Geddes	2,749,289	0	2,749,289	11.08	304,621
Onondaga	2,498,610	965,000	1,533,610	23.19	355,644
Van Buren	1,450,000	310,375	1,139,625	10.00	113,962
Village of:					
Camillus	1,474,541	1,399,541	75,000	100.00	75,000
				Total	\$17,353,951

(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 September 15, 2012.

**Debt Ratios
As of September 15, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Percentage of Full Value⁽³⁾</u>
Gross Indebtedness ⁽⁴⁾	\$35,439,520	\$1,125.78	1.82%
Gross Indebtedness Plus Net Overlapping Indebtedness	52,793,471	1,677.05	2.71

(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 31,480.

(3) Based on the District's full value of taxable real estate using the State equalization rates for 2012-13 of \$1,944,262,934.

(4) The District expects to deliver \$4,060,000 School District Bonds to the Authority in connection with the refunding of \$4,076,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

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

<u>Fiscal Year</u>	<u>Amount</u>	<u>Type</u>	<u>Issue Date</u>	<u>Due Date</u>
2007-2008	\$3,500,000	RAN	5/25/07	11/16/07
2008-2009	3,500,000	RAN	5/22/08	11/21/08
2009-2010	4,100,000	RAN	5/21/09	11/20/09
2010-2011	4,000,000	RAN	5/03/10	11/01/10
2011-2012	5,000,000	RAN	5/04/11	12/29/11
2011-2012	5,000,000	RAN	6/08/12	12/28/12

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.

West Genesee Central School District
<http://emma.msrb.org/ER538964-ER417017-ER818879.pdf>
 Base CUSIP: 952859

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 tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Camillus	\$1,367,915,166	\$1,401,861,445	\$1,420,344,230	\$1,434,874,307	\$1,471,052,357
Elbridge	502,676	651,274	645,442	672,933	758,293
Geddes	91,025,102	91,951,338	92,405,133	93,636,137	99,951,233
Onondaga	296,476,868	300,482,237	305,433,611	307,054,198	308,717,088
Van Buren	59,680,264	61,651,138	61,894,269	61,886,481	56,260,752
Total Assessed Valuation	<u>\$1,815,600,076</u>	<u>\$1,856,597,433</u>	<u>\$1,880,722,685</u>	<u>\$1,898,124,056</u>	<u>\$1,936,739,723</u>

State Equalization Rates Years Ending June 30,

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Towns of:					
Camillus	100.00%	100.00%	100.00%	100.00%	100.00%
Elbridge	81.00	100.00	100.00	100.00	100.00
Geddes	93.00	93.00	93.00	93.00	93.00
Onondaga	100.00	100.00	100.00	100.00	100.00
Van Buren	100.00	100.00	100.00	100.00	100.00
Taxable Full Valuation	\$1,822,569,339	\$1,863,518,502	\$1,887,677,910	\$1,905,171,937	\$1,944,262,934

Total District Property Tax Collections Years Ending June 30,

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$29,460,522	\$30,092,191	\$31,062,499	\$32,604,158	\$33,474,568
% Uncollected When Due ⁽¹⁾	4.7%	4.5%	6.3%	5.0%	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 four completed fiscal years and the budgeted figures for the current fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$29,136,418	\$69,243,053	42.08%
2009-2010	25,144,233	69,904,023	35.97
2010-2011	25,561,913	68,194,991	37.48
2011-2012 (Unaudited)	24,325,060	66,026,530	36.84
2012-2013 (Budgeted)	25,108,480	68,595,095	36.60

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are presented below.

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$520,284	\$2,786,607
2009-2010	477,794	2,572,871
2010-2011	822,201	2,203,904
2011-2012 (Unaudited)	1,074,185	3,382,755
2012-2013 (Budgeted)	1,280,565	3,688,500

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, 2012, 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 \$24,892,118. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$24,892,118. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$4,331,456. The District's annual OPEB expense was \$3,188,821 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$0 to the Plan for the fiscal year ending June 30, 2012 to 870 employees, resulting in a net increase to its unfunded OPEB obligation of \$1,647,881, for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$5,979,337. 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 unaudited information from the District.

Recent Operating Results

The District's revenues exceeded its expenditures by \$703,987 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$3,984,851 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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	Refunded Debt Service	Refunding Debt Service	Total Debt Service After Refunding
2012-2013	\$4,368,948	\$234,351	\$184,867	\$4,319,464
2013-2014	4,368,610	340,343	288,209	4,316,476
2014-2015	3,918,235	340,580	288,409	3,866,064
2015-2016	3,930,388	340,358	291,809	3,881,839
2016-2017	3,925,249	340,675	289,809	3,874,383
2017-2018	3,920,913	340,475	287,609	3,868,047
2018-2019	3,921,129	340,391	290,209	3,870,947
2019-2020	3,913,536	339,824	287,409	3,861,121
2020-2021	3,913,898	340,773	291,409	3,864,534
2021-2022	2,091,130	340,130	290,109	2,041,109
2022-2023	339,950	339,950	288,659	288,659
2023-2024	340,000	340,000	287,059	287,059
2024-2025	340,500	340,500	290,309	290,309
2025-2026	340,400	340,400	288,259	288,259
2026-2027	340,700	340,700	291,059	291,059
2027-2028	340,350	340,350	288,559	288,559
2028-2029	340,350	340,350	290,909	290,909
2029-2030	340,650	340,650	292,694	292,694
2030-2031	340,200	340,200	289,100	289,100

⁽¹⁾ Schedule does not include remaining payments of \$1,840,000 due under an energy performance contract.

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**APPENDIX C-48
DESCRIPTION OF
WESTMORELAND CENTRAL SCHOOL DISTRICT**

There follows in this Appendix C-48 a brief description of the Westmoreland 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, established in 1929, covers approximately 43 square miles in the Towns of Westmoreland, Whitestown and Vernon and the City of Rome, all in Oneida County. The District is situated approximately 40 miles east of Syracuse and 10 miles west of Utica, just off the New York State Thruway at Exit 32.

Population

The current estimated population of the District is 6,376 (2010 U.S. Census Bureau estimate).

Five Largest Employers

<u>Name</u>	<u>Type</u>	<u>Employees</u>
New York State Correctional Facilities	Prisons	978
Westmoreland Central School District	Public Education	144
MBCI Steel	Steel & Aluminum Siding	25
NORBCO	Barn Equipment	20
Tri-Valley Beverage	Wholesale Beverages	15

Five Largest Taxpayers

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
National Grid	Utility	\$13,098,190
Camelot Village, LLC	Manufactured Homes	9,649,692
NCI Group, Inc.	Metal Manufacturer	4,317,846
Buckeye Pipeline Company	Utility	1,236,959
Burton D. Seymour	Residential	913,230

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 9.85% 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				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Oneida County	4.4%	5.4%	7.5%	7.9%	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.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Projected <u>2012-13</u>	Projected <u>2013-14</u>
K-12	1,150	1,009	1,000	998	979	990	990

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.

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
77	Teachers' Association	June 30, 2014
58	Non-Instructional Association	June 30, 2016

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 September 18, 2012⁽¹⁾**

	Based on Conventional Equalization Rates	Based On Special Equalization Ratios
Five Year Average Full Valuation of Taxable Real Property.....	\$296,336,582	\$338,011,766
Debt Limit (5% of full valuation) ⁽²⁾	14,816,829	16,900,588
Outstanding Indebtedness ⁽³⁾		
<u>Inclusions</u>		
Bonds.....	\$9,671,018	\$9,671,018
Bond Anticipation Notes.....	305,000	305,000
Total Inclusions.....	<u>\$9,976,018</u>	<u>\$9,976,018</u>
<u>Exclusions</u>		
Bonds Previously Refunded.....	\$0	\$0
Appropriations.....	602,018	602,018
Total Exclusions.....	<u>\$602,018</u>	<u>\$602,018</u>
Total Net Indebtedness.....	\$9,374,000	\$9,374,000
Net Debt Contracting Margin.....	\$5,442,829	\$7,526,588
Percentage of Debt Contracting Power Exhausted.....	63.27%	55.47%

- (1) The District has not incurred any indebtedness since the date of this table. The District expects to deliver \$4,840,000 School District Bonds to the Authority in connection with the refunding of \$5,563,000 of the District's outstanding school district serial bonds, Series 2002, which will alter the percentage of debt contracting power exhausted accordingly.
- (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.

<u>Unit</u>	<u>Outstanding Indebtedness</u> ⁽¹⁾	<u>Exclusions</u> ⁽²⁾	<u>Net Indebtedness</u>	<u>% Within District</u>	<u>Applicable Net Indebtedness</u>
County of:					
Oneida	\$139,139,989	\$15,231,832	\$123,908,157	3.18%	\$3,940,279
Towns of:					
Westmoreland	1,460,000	1,405,000	55,000	90.44	49,742
Whitestown	4,460,000	30,000	4,430,000	2.54	112,522
Vernon	0	0	0	0.18	0
City of:					
Rome	53,943,609	19,049,105	34,894,504	1.59	<u>554,823</u>
				Total	<u>\$4,657,366</u>

- (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 September 18, 2012.

**Debt Ratios
As of September 18, 2012⁽¹⁾**

	<u>Amount</u>	<u>Per Capita</u> ⁽²⁾	<u>Percentage of Full Value</u> ⁽³⁾
Gross Indebtedness ⁽⁴⁾	\$9,976,018	\$1,564.62	3.06%
Gross Indebtedness Plus Net Overlapping Indebtedness.....	14,633,384	2,295.07	4.49

- (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 6,376.
- (3) Based on the District’s full value of taxable real estate using the State equalization rates for 2011-2012 of \$325,572,159.
- (4) The District expects to deliver \$4,840,000 School District Bonds to the Authority in connection with the refunding of \$5,563,000 of the District’s outstanding school district serial bonds, Series 2002, which will alter the debt ratios accordingly.

Cash Flow Borrowing

The District issued \$950,000 of Revenue Anticipation Notes in the 2010-11 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

On May 15, 2012, the voters approved a \$212,868 proposition for school buses. The District plans to borrow in October of 2012.

The District is currently considering an estimated \$3,900,000 capital project and currently plans to present this to the voters by the end of the calendar 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.

Westmoreland Central School District
<http://emma.msrb.org/ER552000-ER428236-ER830592.pdf>
 Base CUSIP: 961085

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

School taxes are due September 1. If paid by September 30, no penalty is imposed. There is a 2% penalty if paid by the end of October. On November 1, a list of all unpaid taxes is given to the County for relevy on County/Town tax rolls. The District is reimbursed by the County for all unpaid taxes the first week of April in each year and is thus assured of 100% collection of its annual levy.

Valuations, Rates and Tax Levy

The tables below set 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,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of:					
Rome	\$12,267,474	\$12,320,166	\$12,423,114	\$12,601,391	\$12,902,448
Towns of:					
Westmoreland	182,108,118	182,837,515	183,775,121	185,379,617	185,127,164
Whitestown	15,714,029	15,700,560	16,028,975	15,721,019	15,868,322
Vernon	<u>554,124</u>	<u>543,113</u>	<u>544,683</u>	<u>546,274</u>	<u>547,873</u>
Total Assessed Valuation	<u>\$210,643,745</u>	<u>\$211,401,354</u>	<u>\$212,771,893</u>	<u>\$214,248,301</u>	<u>\$214,445,807</u>

**State Equalization Rates
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of:					
Rome	76.11%	74.11%	75.00%	73.50%	N/A
Towns of:					
Westmoreland	68.00	65.00	65.00	65.00	67.00
Whitestown	73.00	70.50	72.00	70.00	71.00
Vernon	74.50	72.50	72.00	71.00	75.00
Taxable Full Valuation	\$306,193,996	\$320,932,063	\$322,314,076	\$325,572,159	N/A

**Special State Equalization Ratios⁽¹⁾
Years Ending June 30,**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of:							
Rome	75.04%	72.82%	73.86%	70.80%	67.69%	N/A	N/A
Towns of:							
Westmoreland	65.69	63.09	63.22	59.08	55.31	N/A	N/A
Whitestown	71.73	69.32	70.72	67.81	64.94	N/A	N/A
Vernon	72.53	70.65	70.31	66.21	62.40	N/A	N/A
Taxable Full Valuation	\$309,668,758	\$325,695,917	\$327,671,869	\$350,849,872	\$376,172,412	N/A	N/A

⁽¹⁾ The special State equalization ratios relating to the assessed valuations of taxable real property for the years ended June 30, 2012 and 2013 are not available as of the date of this Official Statement. Therefore, the special State equalization ratios relating to the taxable assessed valuations of taxable real property are provided for the years ended June 30, 2007 through 2011.

**Total District Property Tax Collections
Years Ending June 30,**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Tax Levy	\$6,751,838	\$6,885,524	\$7,022,739	\$7,288,921	\$7,493,010
% Uncollected When Due ⁽¹⁾	8.87%	15.03%	15.46%	15.12%	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 fiscal year.

State Aid and Revenues

<u>Fiscal Year</u>	<u>Total State Aid⁽¹⁾</u>	<u>Total Revenues⁽¹⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid⁽¹⁾</u>
2008-2009	\$10,103,276	\$17,759,207	56.89%
2009-2010	9,384,606	17,603,524	53.31
2010-2011	8,306,985	16,553,515	50.18
2011-2012 (Unaudited)	8,128,209	17,889,941	45.43
2012-2013 (Budgeted)	8,511,016	18,394,566	46.27

⁽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") for each of the last four completed fiscal years and the budgeted payments for the current fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2008-2009	\$145,471	\$534,970
2009-2010	204,429	420,362
2010-2011	370,843	647,199
2011-2012 (Unaudited)	385,197	603,782
2012-2013 (Budgeted)	401,200	637,561

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

GASB 45 and OPEB

The District contracted with Questar III 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 \$26,012,436. The actuarial value of the Plan's assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$26,012,436. For the fiscal year ending June 30, 2012, the District's beginning year Net OPEB obligation was \$4,827,594. The District's annual OPEB expense was \$2,215,750 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid \$965,515 to the Plan for the fiscal year ending June 30, 2011 to 253 employees, resulting in a net increase to its unfunded OPEB obligation of \$1,250,235 for a fiscal year ending June 30, 2012 total net unfunded OPEB obligation of \$6,077,829. The aforementioned liability and ARC are recognized and will be disclosed in accordance with GASB 45 standards in the District's June 30, 2012 financial statements. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

Note: This information has been developed pursuant to unaudited information from the District.

Recent Operating Results

The District's expenditure exceeded its revenues by \$78,915 in its General Fund for the fiscal year ended June 30, 2012, resulting in an unassigned General Fund balance of \$816,004 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*."

Note: This information has been developed pursuant to unaudited information from the District.

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

<u>Fiscal Year</u>	<u>Existing Debt Service</u>	<u>Refunded Debt Service</u>	<u>Refunding Debt Service</u>	<u>Total Debt Service After Refunding</u>
2012-2013	\$996,887	\$515,973	\$441,391	\$922,306
2013-2014	964,693	517,095	443,600	891,198
2014-2015	970,808	517,840	445,000	897,968
2015-2016	935,740	517,815	443,750	861,675
2016-2017	937,145	518,020	447,000	866,125
2017-2018	937,625	518,400	444,500	863,725
2018-2019	941,675	517,650	446,500	870,525
2019-2020	939,044	516,113	442,750	865,682
2020-2021	940,313	518,788	443,500	865,026
2021-2022	939,750	515,413	443,500	867,838
2022-2023	942,425	516,250	442,750	868,925
2023-2024	724,000	517,000	446,250	653,250
2024-2025	516,750	516,750	443,750	443,750
2025-2026	515,500	515,500	440,500	440,500
2026-2027	518,250	518,250	446,500	446,500
2027-2028	519,750	519,750	446,250	446,250

**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 may be 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 and the refunding of the Refunded 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

(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 Escrow Holder on behalf of the School District and 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 with an escrow holder from which disbursements shall be made in accordance with the Escrow Agreement. Amounts thereunder shall 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 Escrow Holder the amount, if any, set forth in the Agreement as the portion of the Refunded Obligations to be refunded with funds other than the proceeds of Authority Bonds.

(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 and the Escrow Agreement. 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, the Escrow Agreement 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 Proportionate Share (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. 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)

Application of Loan Proceeds

The School District will apply the proceeds of the Loan solely to refund the Refunded Bonds as provided in the Agreement and to pay costs of issuance as set forth 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)

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**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 moneys 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 with 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 under 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 Agency 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 Orrick, Herrington & Sutcliffe LLP]

October 31, 2012

Dormitory Authority of the
State of New York
515 Broadway
Albany, New York 12207

Re: \$369,105,000 Dormitory Authority of the State of New York School Districts Revenue Bond Financing Program Revenue Bonds, \$171,410,000 Series 2012F (the "Series 2012F Bonds"), \$79,370,000 Series 2012G (the "Series 2012G Bonds"), \$76,500,000 Series 2012H (the "Series 2012H Bonds"), \$13,135,000 Series 2012I (the "Series 2012I Bonds"), \$22,265,000 Series 2012J (the "Series 2012J Bonds") and \$6,425,000 Series 2012K (the "Series 2012K 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 \$369,105,000 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, as amended and supplemented (the "Master Resolution"), and the Authority's applicable Series Resolutions Authorizing Up To \$600,000,000 School Districts Revenue Bond Financing Program Revenue Bonds (the "Series 2012 Resolutions"), adopted June 20, 2012. 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 2012F Bonds, the Authority has entered into Financing Agreements, dated as of September 1, 2012 (the "Series 2012F Financing Agreements"), with the school districts identified on Schedule A (the "Series 2012F School Districts") providing, among other things, for a loan to each of the Series 2012F School Districts for the purposes permitted thereby and by the Master Resolution and the applicable Series 2012 Resolution. With respect to the Series 2012G Bonds, the Authority has entered into Financing Agreements, dated as of September 1, 2012 (the "Series 2012G Financing Agreements"), with the school districts identified on Schedule A (the "Series 2012G School Districts") providing, among other things, for a loan to each of the Series 2012G School Districts for the purposes permitted thereby and by the Master Resolution and the applicable Series 2012 Resolution. With respect to the Series 2012H Bonds, the Authority has entered into Financing Agreements, dated as of September 1, 2012 (the "Series 2012H Financing Agreements"), with the school districts identified on Schedule A (the "Series 2012H School Districts") providing, among other things, for a loan to each of the Series 2012H School Districts for the purposes permitted thereby and by the Master Resolution and the applicable Series 2012 Resolution. With respect to the Series 2012I Bonds, the Authority has entered into Financing Agreements, dated as of September 1, 2012 (the "Series 2012I Financing Agreements"), with the school districts identified on Schedule A (the "Series 2012I School Districts") providing, among other things, for a loan to each of the Series 2012I School Districts for the purposes permitted thereby and by the Master Resolution and the applicable Series 2012 Resolution. With respect to the Series 2012J Bonds, the Authority has entered into Financing Agreements, dated as of September 1, 2012 (the "Series 2012J Financing Agreements"), with the school districts identified on Schedule A (the "Series 2012J School Districts") providing, among other things, for a loan to each of the Series 2012J School Districts for the purposes permitted thereby and by the Master Resolution and the applicable Series 2012 Resolution. With respect to the Series 2012K Bonds, the Authority has entered into the Financing Agreement, dated as of September 1, 2012 (the "Series 2012K Financing Agreement"), with the school district identified on Schedule A (the "Series 2012K School District") providing, among other things, for a loan to the Series 2012K School District for the purposes permitted thereby and by the Master Resolution and the applicable Series 2012 Resolution. Pursuant to the Series 2012F Financing Agreements, each Series 2012F School District is required to make payments scheduled to

be sufficient to pay the principal and redemption price of and interest on its proportionate share of the Series 2012F 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 2012F Bonds. Pursuant to the Series 2012G Financing Agreements, each Series 2012G School District is required to make payments scheduled to be sufficient to pay the principal and redemption price of and interest on its proportionate share of the Series 2012G 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 2012G Bonds. Pursuant to the Series 2012H Financing Agreements, each Series 2012H School District is required to make payments scheduled to be sufficient to pay the principal and redemption price of and interest on its proportionate share of the Series 2012H 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 2012H Bonds. Pursuant to the Series 2012I Financing Agreement, each Series 2012I School District is required to make payments scheduled to be sufficient to pay the principal and redemption price of and interest on its proportionate share of the Series 2012I 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 2012I Bonds. Pursuant to the Series 2012J Financing Agreement, each Series 2012J School District is required to make payments scheduled to be sufficient to pay the principal and redemption price of and interest on its proportionate share of the Series 2012J 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 2012J Bonds. Pursuant to the Series 2012K Financing Agreement, the Series 2012K School District is required to make payments scheduled to be sufficient to pay the principal and redemption price of and interest on the Series 2012K 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 2012K Bonds.

In such connection, we have reviewed the Resolutions, the Financing Agreements, the Tax Certificates 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 the applicable School District under the applicable Financing Agreement, opinions of counsel to the Authority, the Trustee and the School Districts, opinions of bond counsel to the 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 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 letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used 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 in the second and third paragraphs hereof. 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, and 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, arbitration, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the foregoing documents. Our services did not include financial or other non-legal advice. 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.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Authority has been duly created and is validly existing as a body corporate and politic constituting a public benefit corporation of the State of New York.

2. The Series 2012F Bonds have been duly and validly authorized to be issued and constitute the valid and binding special obligations of the Authority enforceable in accordance with their terms and the terms of the Master Resolution and the applicable Series 2012 Resolution, will be 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. The Series 2012G Bonds have been duly and validly authorized to be issued and constitute the valid and binding special obligations of the Authority enforceable in accordance with their terms and the terms of the Master Resolution and the applicable Series 2012 Resolution, will be 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. The Series 2012H Bonds have been duly and validly authorized to be issued and constitute the valid and binding special obligations of the Authority enforceable in accordance with their terms and the terms of the Master Resolution and the applicable Series 2012 Resolution, will be 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. The Series 2012I Bonds have been duly and validly authorized to be issued and constitute the valid and binding special obligations of the Authority enforceable in accordance with their terms and the terms of the Master Resolution and the applicable Series 2012 Resolution, will be 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. The Series 2012J Bonds have been duly and validly authorized to be issued and constitute the valid and binding special obligations of the Authority enforceable in accordance with their terms and the terms of the Master Resolution and the applicable Series 2012 Resolution, will be 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. The Series 2012K Bonds have been duly and validly authorized to be issued and constitute the valid and binding special obligations of the Authority enforceable in accordance with their terms and the terms of the Master Resolution and the applicable Series 2012 Resolution, will be 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.

3. The Resolutions are in full force and effect, have been duly adopted by, and constitute the valid and binding obligations of, the Authority. 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 Series 2012F Bonds, of the Revenues and any other amounts (including proceeds of the sale of the Series 2012F Bonds) held by the Trustee in any fund or account established pursuant to the Master Resolution and the applicable Series 2012 Resolution, except the Arbitrage Rebate Fund, subject to the provisions of the Master Resolution and the applicable Series 2012 Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Master Resolution and the applicable Series 2012 Resolution. 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 Series 2012G Bonds, of the Revenues and any other amounts (including proceeds of the sale of the Series 2012G Bonds) held by the Trustee in any fund or account established pursuant to the Master Resolution and the applicable Series 2012 Resolution, except the Arbitrage Rebate Fund, subject to the provisions of the Master Resolution and the applicable Series 2012 Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Master Resolution and the applicable Series 2012 Resolution. 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 Series 2012H Bonds, of the Revenues and any other amounts (including proceeds of the sale of the Series 2012H Bonds) held by the Trustee in any fund or account established pursuant to the Master Resolution and the applicable Series 2012 Resolution, except the Arbitrage Rebate Fund, subject to the provisions of the Master Resolution and the applicable Series 2012 Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Master Resolution and the applicable Series 2012 Resolution. 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 Series 2012I Bonds, of the Revenues and any other amounts (including proceeds of the sale of the Series 2012I Bonds) held by the Trustee in any fund or account established pursuant to the Master Resolution and the applicable Series 2012 Resolution, except the Arbitrage Rebate Fund, subject to the provisions of the Master Resolution and the applicable Series 2012 Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Master Resolution

and the applicable Series 2012 Resolution. 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 Series 2012J Bonds, of the Revenues and any other amounts (including proceeds of the sale of the Series 2012J Bonds) held by the Trustee in any fund or account established pursuant to the Master Resolution and the applicable Series 2012 Resolution, except the Arbitrage Rebate Fund, subject to the provisions of the Master Resolution and the applicable Series 2012 Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Master Resolution and the applicable Series 2012 Resolution. 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 Series 2012K Bonds, of the Revenues and any other amounts (including proceeds of the sale of the Series 2012K Bonds) held by the Trustee in any fund or account established pursuant to the Master Resolution and the applicable Series 2012 Resolution, except the Arbitrage Rebate Fund, subject to the provisions of the Master Resolution and the applicable Series 2012 Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Master Resolution and the applicable Series 2012 Resolution.

4. Each Financing Agreement has been duly executed and delivered by the Authority and, assuming due execution and delivery thereof by the applicable School District, constitutes the valid and binding agreement of the Authority in accordance with its terms.

5. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. Interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although we observe that it is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Interest on the Bonds is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

Faithfully yours,

SCHEDULE A

SERIES 2012F:

Allegheny-Limestone Central School District
Belleville Henderson Central School District
Canajoharie Central School District
Carthage Central School District
Catskill Central School District
Chautauqua Lake Central School District
Chittenango Central School District
Clymer Central School District
Cobleskill-Richmondville Central School District
Corinth Central School District
Delhi Central School District
Frankfort Schuylers Central School District
Fredonia Central School District
City School District of the City of Gloversville
Gowanda Central School District
City School District of the City of Jamestown
Lake Pleasant Central School District
Liberty Central School District
Maine-Endwell Central School District
Medina Central School District
Niagara Wheatfield Central School District
North Warren Central School District
City School District of the City of Norwich
Perry Central School District
Pine Valley Central School District
Rotterdam-Mohonasen Central School District
Sackets Harbor Central School District
South Glens Falls Central School District
South Lewis Central School District
Union-Endicott Central School District
Westmoreland Central School District

SERIES 2012G:

Eastport-South Manor Central School District
Longwood Central School District

SERIES 2012H:

City School District of the City of Beacon
East Rockaway Union Free School District
Frontier Central School District
Greece Central School District
City School District of the City of Port Jervis
Southwestern Central School District
Sweet Home Central School District
City School District of the City of Watertown
West Genesee Central School District

SERIES 2012I:

Burnt Hills-Ballston Lake Central School District
Minisink Valley Central School District

SERIES 2012J:

Akron Central School District
Queensbury Union Free School District
Scotia-Glenville Central School District

SERIES 2012K:

City School District of the City of Niagara Falls

BONDS TO BE REFUNDED

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BONDS TO BE REFUNDED

The Authority expects to redeem the Refunded Bonds set forth below on November 1, 2012 (the "Redemption Date") by applying the proceeds of the Series 2012 Bonds, together with other funds available to the Authority, to provide for the payment of the principal of and interest on the Refunded Bonds to the Redemption Date. The refunding is contingent upon the delivery of the Series 2012 Bonds. The Refunded Bonds will be redeemed at par. The Refunded Bonds set forth below generally consist of the outstanding Series 2002 Bonds to be refunded with proceeds of the Series 2012 Bonds. The Authority expects to redeem additional Series 2002 Bonds with funds expected to be received from certain school districts to which the Authority loaned proceeds of the Series 2002 Bonds but which are not borrowing proceeds of the Series 2012 Bonds.

Series 2002C Serial Bonds			
Maturity Date	Coupon	Refunded Par Amount	Outstanding Par Amount
April 1, 2013	4.00%	\$546,000	\$1,720,000
October 1, 2013	5.50%	1,987,000	3,070,000
April 1, 2014	4.00%	568,000	1,790,000
October 1, 2014	5.50%	2,097,000	3,240,000
April 1, 2015	5.00%	592,000	1,865,000
October 1, 2015	5.375%	2,211,000	3,420,000
April 1, 2016	5.25%	620,000	1,955,000
October 1, 2016	5.25%	2,330,000	3,160,000
April 1, 2017	5.00%	533,000	1,940,000
October 1, 2017	5.25%	2,353,000	2,980,000

Series 2002G Serial Bonds			
Maturity Date	Coupon	Refunded Par Amount	Outstanding Par Amount
October 1, 2013	4.00%	\$505,000	\$505,000
October 1, 2014	4.10%	525,000	525,000
October 1, 2015	4.125%	545,000	545,000
October 1, 2016	5.25%	505,000	505,000
October 1, 2017	5.25%	530,000	530,000
October 1, 2018	5.25%	560,000	560,000
October 1, 2019	5.25%	590,000	590,000
October 1, 2020	5.25%	620,000	620,000
October 1, 2021	5.25%	650,000	650,000

Series 2002H Serial Bonds			
Maturity Date	Coupon	Refunded Par Amount	Outstanding Par Amount
October 1, 2013	4.75%	\$1,534,000	\$1,555,000

Series 2002A Term Bonds Maturing October 1, 2017

Sinking Fund Installment Date	Coupon	Refunded Par Amount	Outstanding Sinking Fund Amount
April 1, 2013	5.75%	\$6,341,000	\$6,620,000
October 1, 2013	5.75%	7,222,000	10,850,000
April 1, 2014	5.75%	6,703,000	6,995,000
October 1, 2014	5.75%	7,259,000	10,430,000
April 1, 2015	5.75%	6,622,000	6,935,000
October 1, 2015	5.75%	7,677,000	11,030,000
April 1, 2016	5.75%	7,002,000	7,330,000
October 1, 2016	5.75%	7,719,000	11,265,000
April 1, 2017	5.75%	7,152,000	7,500,000
October 1, 2017	5.75%	5,107,000	5,495,000

Series 2002A Term Bonds Maturing October 1, 2022

<u>Sinking Fund Installment Date</u>	<u>Coupon</u>	<u>Refunded Par Amount</u>	<u>Outstanding Sinking Fund Amount</u>
April 1, 2018	5.375%	\$7,563,000	\$7,930,000
October 1, 2018	5.375%	5,405,000	5,815,000
April 1, 2019	5.375%	5,625,000	6,015,000
October 1, 2019	5.375%	4,433,000	4,865,000
April 1, 2020	5.375%	5,805,000	6,215,000
October 1, 2020	5.375%	4,225,000	4,680,000
April 1, 2021	5.375%	2,253,000	2,685,000
October 1, 2021	5.375%	4,070,000	4,550,000
April 1, 2022	5.375%	486,000	940,000
October 1, 2022	5.375%	4,284,000	4,790,000

Series 2002A Term Bonds Maturing April 1, 2031

<u>Sinking Fund Installment Date</u>	<u>Coupon</u>	<u>Refunded Par Amount</u>	<u>Outstanding Sinking Fund Amount</u>
April 1, 2023	5.00%	\$219,000	\$700,000
October 1, 2023	5.00%	4,147,000	4,680,000
April 1, 2024	5.00%	230,000	730,000
October 1, 2024	5.00%	4,355,000	4,915,000
April 1, 2025	5.00%	242,000	770,000
October 1, 2025	5.00%	3,858,000	4,445,000
April 1, 2026	5.00%	254,000	810,000
October 1, 2026	5.00%	3,708,000	4,325,000
April 1, 2027	5.00%	267,000	850,000
October 1, 2027	5.00%	1,562,000	2,210,000
April 1, 2028	5.00%	280,000	890,000
October 1, 2028	5.00%	755,000	1,435,000
April 1, 2029	5.00%	294,000	935,000
October 1, 2029	5.00%	380,000	380,000
April 1, 2030	5.00%	309,000	980,000
October 1, 2030	5.00%	10,000	10,000
April 1, 2031	5.00%	324,000	1,030,000

Series 2002B Term Bonds Maturing October 1, 2017

<u>Sinking Fund Installment Date</u>	<u>Coupon</u>	<u>Refunded Par Amount</u>	<u>Outstanding Sinking Fund Amount</u>
April 1, 2013	6.50%	\$230,000	\$230,000
October 1, 2013	6.50%	710,000	710,000
April 1, 2014	6.50%	245,000	245,000
October 1, 2014	6.50%	760,000	760,000
April 1, 2015	6.50%	265,000	265,000
October 1, 2015	6.50%	810,000	810,000
October 1, 2016	6.50%	865,000	865,000
October 1, 2017	6.50%	920,000	920,000

Series 2002B Term Bonds Maturing October 1, 2022

<u>Sinking Fund Installment Date</u>	<u>Coupon</u>	<u>Refunded Par Amount</u>	<u>Outstanding Sinking Fund Amount</u>
October 1, 2018	6.00%	\$980,000	\$980,000
October 1, 2019	6.00%	1,040,000	1,040,000
October 1, 2020	6.00%	1,105,000	1,105,000
October 1, 2021	6.00%	1,175,000	1,175,000
October 1, 2022	6.00%	1,245,000	1,245,000

Series 2002B Term Bonds Maturing October 1, 2029

Sinking Fund Installment Date	Coupon	Refunded Par Amount	Outstanding Sinking Fund Amount
October 1, 2023	6.00%	\$1,325,000	\$1,325,000
October 1, 2024	6.00%	1,405,000	1,405,000
October 1, 2025	6.00%	1,495,000	1,495,000
October 1, 2026	6.00%	1,585,000	1,585,000
October 1, 2027	6.00%	1,685,000	1,685,000
October 1, 2028	6.00%	1,785,000	1,785,000
October 1, 2029	6.00%	1,895,000	1,895,000

Series 2002C Term Bonds Maturing April 1, 2021

Sinking Fund Installment Date	Coupon	Refunded Par Amount	Outstanding Sinking Fund Amount
April 1, 2018	5.25%	\$559,000	\$2,035,000
April 1, 2019	5.25%	212,000	1,765,000

Series 2002D Term Bonds Maturing October 1, 2017

Sinking Fund Installment Date	Coupon	Refunded Par Amount	Outstanding Sinking Fund Amount
April 1, 2013	5.50%	\$208,000	\$2,850,000
October 1, 2013	5.50%	17,315,000	20,305,000
April 1, 2014	5.50%	220,000	2,710,000
October 1, 2014	5.50%	16,021,000	17,880,000
April 1, 2015	5.50%	232,000	2,460,000
October 1, 2015	5.50%	16,189,000	17,105,000
October 1, 2016	5.50%	16,439,000	17,295,000
October 1, 2017	5.50%	15,831,000	16,735,000

Series 2002D Term Bonds Maturing October 1, 2023

Sinking Fund Installment Date	Coupon	Refunded Par Amount	Outstanding Sinking Fund Amount
October 1, 2018	5.25%	\$15,652,000	\$15,695,000
October 1, 2019	5.25%	16,005,000	16,050,000
October 1, 2020	5.25%	11,468,000	11,515,000
October 1, 2021	5.25%	9,935,000	9,985,000
October 1, 2022	5.25%	6,185,000	6,185,000
October 1, 2023	5.25%	4,695,000	4,695,000

Series 2002D Term Bonds Maturing October 1, 2030

Sinking Fund Installment Date	Coupon	Refunded Par Amount	Outstanding Sinking Fund Amount
October 1, 2024	5.00%	\$4,945,000	\$4,945,000
October 1, 2025	5.00%	4,205,000	4,205,000
October 1, 2026	5.00%	4,415,000	4,415,000
October 1, 2027	5.00%	3,115,000	3,115,000
October 1, 2028	5.00%	1,340,000	1,340,000
October 1, 2029	5.00%	1,140,000	1,140,000
October 1, 2030	5.00%	1,200,000	1,200,000

Series 2002E Term Bonds Maturing October 1, 2017

<u>Sinking Fund Installment Date</u>	<u>Coupon</u>	<u>Refunded Par Amount</u>	<u>Outstanding Sinking Fund Amount</u>
October 1, 2013	5.50%	\$4,750,000	\$4,750,000
October 1, 2014	5.50%	4,045,000	4,045,000
October 1, 2015	5.50%	3,705,000	3,705,000
October 1, 2016	5.50%	3,905,000	3,905,000
October 1, 2017	5.50%	4,120,000	4,120,000

Series 2002E Term Bonds Maturing October 1, 2022

<u>Sinking Fund Installment Date</u>	<u>Coupon</u>	<u>Refunded Par Amount</u>	<u>Outstanding Sinking Fund Amount</u>
October 1, 2018	5.75%	\$4,350,000	\$4,350,000
October 1, 2019	5.75%	1,790,000	1,790,000
October 1, 2020	5.75%	1,895,000	1,895,000
October 1, 2021	5.75%	2,005,000	2,005,000
October 1, 2022	5.75%	2,120,000	2,120,000

Series 2002E Term Bonds Maturing October 1, 2030

<u>Sinking Fund Installment Date</u>	<u>Coupon</u>	<u>Refunded Par Amount</u>	<u>Outstanding Sinking Fund Amount</u>
October 1, 2023	5.75%	\$2,240,000	\$2,240,000
October 1, 2024	5.75%	2,370,000	2,370,000
October 1, 2025	5.75%	2,505,000	2,505,000
October 1, 2026	5.75%	2,650,000	2,650,000
October 1, 2027	5.75%	2,800,000	2,800,000
October 1, 2028	5.75%	2,965,000	2,965,000
October 1, 2029	5.75%	3,135,000	3,135,000
October 1, 2030	5.75%	3,315,000	3,315,000

Series 2002H Term Bonds Maturing October 1, 2017

<u>Sinking Fund Installment Date</u>	<u>Coupon</u>	<u>Refunded Par Amount</u>	<u>Outstanding Sinking Fund Amount</u>
October 1, 2014	5.50%	\$1,608,000	\$1,630,000
October 1, 2015	5.50%	1,697,000	1,720,000
October 1, 2016	5.50%	1,790,000	1,815,000
October 1, 2017	5.50%	1,889,000	1,915,000

Series 2002H Term Bonds Maturing October 1, 2022

<u>Sinking Fund Installment Date</u>	<u>Coupon</u>	<u>Refunded Par Amount</u>	<u>Outstanding Sinking Fund Amount</u>
October 1, 2018	5.25%	\$300,000	\$300,000
October 1, 2019	5.25%	315,000	315,000
October 1, 2020	5.25%	330,000	330,000
October 1, 2021	5.25%	350,000	350,000
October 1, 2022	5.25%	365,000	365,000

Series 2002H Term Bonds Maturing October 1, 2028

<u>Sinking Fund Installment Date</u>	<u>Coupon</u>	<u>Refunded Par Amount</u>	<u>Outstanding Sinking Fund Amount</u>
October 1, 2023	5.00%	\$385,000	\$385,000
October 1, 2024	5.00%	405,000	405,000
October 1, 2025	5.00%	425,000	425,000
October 1, 2026	5.00%	445,000	445,000
October 1, 2027	5.00%	470,000	470,000
October 1, 2028	5.00%	495,000	495,000

Series 2002I Term Bonds Maturing October 1, 2018

<u>Sinking Fund Installment Date</u>	<u>Coupon</u>	<u>Refunded Par Amount</u>	<u>Outstanding Sinking Fund Amount</u>
October 1, 2013	5.75%	\$1,194,000	\$1,905,000
October 1, 2014	5.75%	1,265,000	1,715,000
October 1, 2015	5.75%	1,335,000	1,335,000
October 1, 2016	5.75%	1,415,000	1,415,000
October 1, 2017	5.75%	180,000	180,000
October 1, 2018	5.75%	190,000	190,000

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SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No: -N

BONDS: \$ in aggregate principal amount of

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

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**DORMITORY AUTHORITY OF THE STATE OF NEW YORK
SCHOOL DISTRICTS REVENUE BOND FINANCING PROGRAM REVENUE BONDS, SERIES 2012F, 2012G, 2012H, 2012I, 2012J AND 2012K**

