SUPPLEMENT DATED DECEMBER 2, 2011 TO THE OFFICIAL STATEMENT DATED NOVEMBER 17, 2011

$134,400,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
SCHOOL DISTRICTS REVENUE BOND FINANCING PROGRAM REVENUE BONDS

$13,495,000	$12,300,000	$32,685,000	$75,920,000
SERIES 2011E	SERIES 2011F	SERIES 2011G	SERIES 2011H

This Supplement, dated December 2, 2011 (the "Supplement"), makes certain modifications to the Official Statement, dated November 17, 2011 (the "Official Statement"), relating to the above referenced Bonds (the "Series 2011E Bonds," the "Series 2011F Bonds," the "Series 2011G Bonds," the "Series 2011H Bonds," and collectively, the "Series 2011 Bonds"). This Supplement constitutes an integral part of the Official Statement and must be delivered to investors as part of the Official Statement relating to the Series 2011 Bonds.

The scheduled payment of certain maturities of the Series 2011 Bonds as set forth on the inside cover page of the Official Statement (collectively, the "Insured Bonds") when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Insured Bonds by Assured Guaranty Municipal Corp. ("AGM"). On November 30, 2011, Standard & Poor's Rating Services downgraded the financial strength rating of AGM from "AA+" (CreditWatch negative) to "AA-" (stable outlook). Accordingly, the Official Statement is hereby amended as follows:

The second and third paragraphs under the caption "PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2011 BONDS – Bond Insurance – Assured Guaranty Municipal Corp." beginning on page 8 are hereby deleted in their entirety and replaced with the following:

AGM's financial strength is rated "AA-" (stable outlook) by Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("S&P") and "Aa3" (negative outlook) 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 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.

The first paragraph under the caption "PART 16 – RATINGS" on page 37 is hereby deleted in its entirety and replaced with the following:

Moody's Investors Service Inc. ("Moody's") and Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("Standard & Poor's") are each expected to assign a rating of "Aa3" and "AA-", respectively, to the Insured Bonds, based on the understanding that the municipal insurance policy of AGM insuring the scheduled repayment of principal and interest due with respect to the Insured Bonds will be issued by AGM upon the issuance of the Insured Bonds. Standard & Poor's and Fitch Ratings ("Fitch") have each assigned underlying ratings of "A+" to the Series 2011 Bonds. Moody's has assigned underlying ratings of "Aa2", "A3" and "A1" to the Series 2011F Bonds, the Series 2011G Bonds and the Series 2011H Bonds, respectively.

DORMITORY AUTHORITY OF
THE STATE OF NEW YORK

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

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

$134,400,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
SCHOOL DISTRICTS REVENUE BOND FINANCING PROGRAM REVENUE BONDS

$13,495,000	$12,300,000	$32,685,000	$75,920,000
SERIES 2011E	SERIES 2011F	SERIES 2011G	SERIES 2011H

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

Payment and Security: The School Districts Revenue Bond Financing Program Revenue Bonds, Series 2011E (the "Series 2011E Bonds"), the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2011F (the "Series 2011F Bonds"), the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2011G (the "Series 2011G Bonds"), and the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2011H (the "Series 2011H Bonds" and, together with the Series 2011E Bonds, the Series 2011F Bonds and the Series 2011G Bonds, the "Series 2011 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 October 1, 2011, between the Authority and such School Districts, and all funds and accounts (except the Arbitrage Rebate Fund) authorized under the Authority's Master School Districts Revenue Bond Financing Program Revenue Bond Resolution adopted May 29, 2002, as amended and supplemented (the "Master Resolution"), and established by the Authority's Series Resolutions, adopted September 21, 2011, authorizing such Series (individually, the "Series 2011E Resolution," the "Series 2011F Resolution," the "Series 2011G Resolution" and the "Series 2011H Resolution," and, together, the "Series 2011 Resolutions"). The Master Resolution and the Series 2011 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 2011 Bonds and no real property of any School District secures the Series 2011 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 the Series 2011 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 2011 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 2011 Bonds. See "PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2011 BONDS."

The Series 2011 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 of and interest on certain maturities of Series 2011 Bonds as set forth on the inside cover page of this Official Statement (collectively, the "Insured Bonds") when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Insured Bonds by Assured Guaranty Municipal Corp. ("AGM" or the "Insurer").

Description: The Series 2011 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 October 1, 2012) on the Series 2011 Bonds will be payable by check or draft mailed to the registered owners of the Series 2011 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 2011 Bonds, by wire transfer to such owner, each as of the close of business on the fifteenth day of the month next preceding an interest payment date. The principal and Redemption Price of the Series 2011 Bonds will be payable at the principal corporate trust office of U.S. Bank National Association, New York, New York, the Trustee and Paying Agent or, with respect to Redemption Price, at the option of a registered owner of at least $1,000,000 in principal amount of the Series 2011 Bonds, by wire transfer to the registered owners of such Series of Series 2011 Bonds as more fully described herein.

The Series 2011 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 2011 Bonds will be made in Book-Entry form without certificates. So long as DTC or its nominee is the registered owner of the Series 2011 Bonds, payments of the principal and interest on such Series of Series 2011 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 2011 BONDS – Book-Entry Only System" herein.

Redemption: *The Series 2011 Bonds are subject to redemption prior to maturity as more fully described herein.*

Tax Exemption: In the opinion of Hiscock & Barclay, LLP, Bond Counsel to the Authority, under existing statutes, regulations, rulings and court decisions and assuming compliance with the covenants described herein and the accuracy of certain representations by the Authority and the School Districts (and their successors), interest on the Series 2011 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that interest on the Series 2011 Bonds is not an "item of tax preference" for purposes of the individual and corporate alternative minimum taxes imposed under the Code; provided, however, that interest on the Series 2011 Bonds owned by corporations will be included in the calculation of adjusted current earnings, a portion of which is an adjustment to corporate alternative minimum taxable income for purposes of calculating the alternative minimum tax imposed on corporations. Bond Counsel is further of the opinion that interest on the Series 2011 Bonds is exempt under existing laws from personal income taxes imposed by the State of New York and its political subdivisions (including The City of New York). See "PART 10 – TAX MATTERS" herein regarding certain other tax considerations.

The Series 2011 Bonds are offered when, as and if issued and received by the Underwriters. The offer of the Series 2011 Bonds may be subject to prior sale or may be withdrawn or modified at any time without notice. The offer is subject to the approval of legality by Hiscock & Barclay, LLP, Albany, New York, Bond Counsel to the Authority, and to certain other conditions. Certain legal matters will be passed upon for the Underwriters by their 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 2011 Bonds in New York, New York, on or about December 15, 2011.

RBC Capital Markets		**Morgan Keegan**
Jefferies		**Roosevelt & Cross Incorporated**
BB&T Capital Markets	**Fidelity Capital Markets**	**Grigsby & Associates, Inc.**
Janney Montgomery Scott LLC	**Ramirez & Co., Inc.**	**Siebert Brandford Shank & Co., L.L.C.**

November 17, 2011

$134,400,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
SCHOOL DISTRICTS REVENUE BOND FINANCING PROGRAM REVENUE BONDS

$13,495,000
SERIES 2011E

Due April 1,	Amount	Interest Rate	Yield	CUSIP[1]	Due April 1,	Amount	Interest Rate	Yield	CUSIP[1]
2013	$595,000	2.000%	1.000%	649906MY7	2020†	$ 975,000	5.000%	3.140%[2]	649906NF7
2014†	780,000	3.000	1.290	649906MZ4	2021†	1,025,000	5.000	3.330[2]	649906NG5
2015†	800,000	4.000	1.710	649906NA8	2022†	1,075,000	5.000	3.480[2]	649906NH3
2016†	835,000	4.000	2.040	649906NB6	2023†	1,130,000	5.000	3.640[2]	649906NJ9
2017†	865,000	4.000	2.330	649906NC4	2024†	1,065,000	5.000	3.790[2]	649906NK6
2018†	900,000	4.000	2.610	649906ND2	2025†	380,000	4.150	4.190	649906NL4
2019†	940,000	4.000	2.870	649906NE0	2026†	355,000	4.300	4.310	649906NM2

$1,775,000 4.750% Term Bonds due April 1, 2032†, Yield: 4.770% CUSIP[1] 649906NN0

$12,300,000
SERIES 2011F

Due October 1,	Amount	Interest Rate	Yield	CUSIP[1]	Due October 1,	Amount	Interest Rate	Yield	CUSIP[1]
2012	$290,000	2.000%	0.700%	649906MF8	2020†	$300,000	5.000%	3.250%[3]	649906MP6
2013	240,000	2.000	1.070	649906MG6	2021†	315,000	3.375	3.420	649906MQ4
2014†	245,000	2.000	1.340	649906MH4	2022†	325,000	3.500	3.580	649906MR2
2015†	250,000	4.000	1.790	649906MJ0	2023†	335,000	3.700	3.730	649906MS0
2016†	260,000	3.000	2.110	649906MK7	2024†	345,000	3.875	3.880	649906MT8
2017†	270,000	4.000	2.380	649906ML5	2025†	360,000	4.000	4.060	649906MU5
2018†	280,000	3.000	2.670	649906MM3	2026†	375,000	4.150	4.180	649906MV3
2019†	290,000	3.000	2.980	649906MN1					

$3,140,000 4.625% Term Bonds due October 1, 2033†, Yield: 4.750% CUSIP[1] 649906MW1
$4,680,000 4.750% Term Bonds due October 1, 2041†, Yield: 4.810% CUSIP[1] 649906MX9

$32,685,000
SERIES 2011G

Due October 1,	Amount	Interest Rate	Yield	CUSIP[1]	Due October 1,	Amount	Interest Rate	Yield	CUSIP[1]
2012	$1,645,000	3.000%	0.700%	649906NP5	2020†	$1,675,000	3.375%	3.400%	649906NX8
2013	1,415,000	2.000	1.190	649906NQ3	2021†	1,740,000	3.500	3.570	649906NY6
2014†	1,460,000	2.000	1.490	649906NR1	2022†	1,795,000	3.700	3.730	649906NZ3
2015†	1,480,000	2.000	1.940	649906NS9	2023†	1,865,000	3.875	3.880	649906PA6
2016†	1,505,000	2.250	2.260	649906NT7	2024†	1,930,000	4.000	4.030	649906PB4
2017†	1,540,000	2.500	2.530	649906NU4	2025†	2,010,000	4.150	4.190	649906PC2
2018†	1,585,000	2.750	2.820	649906NV2	2026†	2,075,000	4.300	4.310	649906PD0
2019†	1,630,000	3.125	3.130	649906NW0	2027†	1,055,000	4.400	4.420	649906PF5

$4,380,000 4.800% Term Bonds due October 1, 2032†, Yield: 4.800% CUSIP[1] 649906PG3
$1,900,000 4.900% Term Bonds due October 1, 2040†, Yield: 4.900% CUSIP[1] 649906PE8

$75,920,000
SERIES 2011H

Due October 1,	Amount	Interest Rate	Yield	CUSIP[1]	Due October 1,	Amount	Interest Rate	Yield	CUSIP[1]
2012	$3,525,000	3.000%	0.700%	649906PH1	2020†	$6,550,000	5.000%	3.210%	649906PR9
2013	4,690,000	4.000	1.050	649906PJ7	2021†	6,890,000	5.000	3.360	649906PS7
2014†	4,875,000	4.000	1.320	649906PK4	2022†	7,240,000	5.000	3.530[4]	649906PT5
2015†	5,100,000	5.000	1.790	649906PL2	2023†	7,620,000	5.000	3.680[4]	649906PU2
2016†	5,370,000	5.000	2.090	649906PM0	2024†	5,300,000	5.000	3.830[4]	649906PV0
2017†	5,630,000	5.000	2.360	649906PN8	2025†	590,000	4.000	4.160	649906PW8
2018†	5,925,000	5.000	2.670	649906PP3	2026†	185,000	4.250	4.280	649906PX6
2019†	6,235,000	5.000	2.980	649906PQ1	2027†	195,000	4.375	4.390	649906PY4

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(1) CUSIP data herein are provided by Standard & Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. CUSIP numbers have been assigned by an independent company not affiliated with the Authority and are included solely for the convenience of the holders of the Series 2011 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 2011 Bonds or as indicated above. CUSIP numbers are subject to being changed after the issuance of the Series 2011 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such Series 2011 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 2011 Bonds.

(2) Priced at the stated yield to the April 1, 2019 optional redemption date at a redemption price of 100% of the principal amount of such Series 2011E Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

(3) Priced at the stated yield to the October 1, 2019 optional redemption date at a redemption price of 100% of the principal amount of such Series 2011F Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

(4) Priced at the stated yield to the October 1, 2021 optional redemption date at a redemption price of 100% of the principal amount of such Series 2011H 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 2011 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 2011 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 17 – SOURCES OF INFORMATION AND CERTIFICATIONS" of the Official Statement for a description of the various sources of information.

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

AGM makes no representation regarding the Series 2011 Bonds or the advisability of investing in the Series 2011 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 2011 BONDS – Bond Insurance" and "Appendix G – Specimen Municipal Bond Insurance Policy."

References in this Official Statement to the Act, the Master Resolution, the Series 2011 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 2011 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 2011 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 2011 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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PAUL T. WILLIAMS, JR. – PRESIDENT ALFONSO L. CARNEY, JR. – CHAIR

OFFICIAL STATEMENT RELATING TO

$134,400,000
DORMITORY AUTHORITY OF THE STATE OF NEW YORK
SCHOOL DISTRICTS REVENUE BOND FINANCING PROGRAM REVENUE BONDS

$13,495,000	$12,300,000	$32,685,000	$75,920,000
SERIES 2011E	SERIES 2011F	SERIES 2011G	SERIES 2011H

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 $13,495,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2011E (the "Series 2011E Bonds"), $12,300,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2011F (the "Series 2011F Bonds"), $32,685,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2011G (the "Series 2011G Bonds"), and $75,920,000 aggregate principal amount of the School Districts Revenue Bond Financing Program Revenue Bonds, Series 2011H (the "Series 2011H Bonds" and, together with the Series 2011E Bonds, the Series 2011F Bonds and the Series 2011G Bonds, the "Series 2011 Bonds").

The following is a brief description of certain information concerning each Series of the Series 2011 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 2011 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 2011 Bonds are being issued and the proceeds will be used: (i) (a) to finance all or a portion of the costs of school district capital facilities and school district capital equipment for the School Districts identified in Appendix B and/or (b) to refinance certain bond anticipation notes of the School Districts identified in Appendix B issued to finance all or a portion of the costs of school district capital facilities and school district capital equipment (as described in each School District's Agreement in respect of the Applicable Series of Series 2011 Bonds); and (ii) to pay the Costs of Issuance of the Applicable Series of Series 2011 Bonds. See "PART 5 – ESTIMATED SOURCES AND USES OF FUNDS."

Authorization of Issuance

The Act, as amended by Chapter 383 of the Laws of 2001 of the State of New York ("Chapter 383"), empowers the Authority, among other things, to issue its bonds for the purpose of financing or refinancing all or a part of "school district capital facilities" and "school district capital equipment" (collectively, "school projects") for certain school districts. The Act requires the Authority to enter into a lease, sublease or other agreement with a school district before the Authority can undertake a financing and/or refinancing for such school district. Each School District obtaining a loan to be funded from the proceeds of the Series 2011 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 2011 Bonds will be issued pursuant to the Master Resolution, the applicable Series 2011 Resolutions and the Act. Each of the School Districts has entered into a separate Agreement with the Authority for the purpose of refinancing or financing as the case may be, its respective school projects from the proceeds of the applicable Series of Series 2011 Bonds. See "Appendix B – List of the School Districts and Principal Amount of Each School District's Loan."

The Master Resolution authorizes the issuance of multiple Series of Bonds. Each Series of Bonds is to be separately secured by (i) the funds and accounts established pursuant to a Series Resolution, (ii) certain payments to be made under the Agreement by each School District receiving a Loan to be funded from the proceeds of such Series and (iii) the pledge and assignment by each such School District in its Agreement of the portion of certain public funds apportioned or otherwise made payable by the State to such School District (the "Pledged Revenues"). No School District will be responsible for the payment obligations of any other School District nor will the Pledged Revenues pledged and assigned by a School District be available to satisfy the obligations of any other School District. None of the funds and accounts established under any Series Resolution or the pledge of the Pledged Revenues to secure a Series of Bonds shall secure any other Series of Bonds. However, if more than one Series of Bonds has been or will be issued to finance or refinance projects for a particular School District, the Pledged Revenues assigned by such School District will be pledged to secure all such Series of Bonds on a parity basis. See "PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2011 BONDS – Issuance of Additional Bonds."

The Authority

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

The School Districts

The School Districts are located in different areas of the State, are of varying geographic and demographic size and have varying economic, financial and indebtedness characteristics. See "PART 4 – THE SCHOOL DISTRICTS," "Appendix B – List of the School Districts and Principal Amount of Each School District's Loan" and "Appendix C – Certain Financial and Economic Information on the School Districts." The most recent financial statements 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 2011 Bonds

The Series 2011 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 2011 Bonds is payable each April 1 and October 1, commencing October 1, 2012. See "PART 3 – THE SERIES 2011 BONDS – Description of the Series 2011 Bonds."

Payment of the Series 2011 Bonds

Each Series of the Series 2011 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 2011 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 2011 Bonds and the Pledged Revenues in respect of such Series of Series 2011 Bonds have been pledged to the Trustee to secure solely such Series of Series 2011 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 2011 Bonds may result in an intercept of the Pledged Revenues of such School District in an amount required to pay such deficiency. If such Pledged Revenues are insufficient to pay the full amount of the deficiency, the only source of payment for the Insured Bonds (defined herein) will be the payment made by the Insurer under the Policy. If a School District fails to pay amounts due under its Agreement, the Authority's sole recourse will be against the defaulting School District and no other School District. Further, upon the occurrence of an event of default, neither the Authority, the Trustee nor the holders of the Series 2011 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 2011 BONDS – Payment of the Series 2011 Bonds" and "– Bond Insurance."

Security for the Series 2011 Bonds

Each Series of the Series 2011 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 2011 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 2011 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 2011 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 2011 BONDS – Security for the Series 2011 Bonds" and "PART 4 – THE SCHOOL DISTRICTS – Special Provisions Affecting Remedies on Default" and "Financial Factors – *State Aid*."

Bond Insurance

The scheduled payment of principal of and interest on certain maturities of Series 2011 Bonds as set forth on the inside cover page of this Official Statement (collectively, the “Insured Bonds”) when due will be guaranteed under a municipal bond insurance policy (the “Policy”) to be issued concurrently with the delivery of the Insured Bonds by Assured Guaranty Municipal Corp. (“AGM” or the “Insurer”). See “PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2011 BONDS – Bond Insurance.”

PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2011 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 2011 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 2011 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 2011 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 2011 Bonds

Each Series of the Series 2011 Bonds will be special obligations of the Authority. The principal and Redemption Price of and interest on each Series of the Series 2011 Bonds are payable solely from the Revenues pledged to such Series 2011 Bonds. The Revenues consist of the payments paid by the applicable School District under its Agreement in respect of such Series 2011 Bonds, including Loan Repayments and the Pledged Revenues. The Revenues and the right to receive them in respect of each Series of the Series 2011 Bonds have been pledged to the Trustee for the payment of such Series of Series 2011 Bonds.

Loan Repayments in respect of each Series of the Series 2011 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 2011 Bonds and which amounts in the aggregate are scheduled to be sufficient to pay principal and interest on such Series 2011 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 2011 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 2011 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 2011 Bonds

Each Series of the Series 2011 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 2011 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 2011 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 2011 Bonds relating to the Loan of such School District. There is no debt service reserve fund securing the Series 2011 Bonds. Pursuant to the terms of the Master Resolution, the funds and accounts established by a Series Resolution secure only the Bonds of such Series and do not secure any other Series of Bonds issued under the Master Resolution. See in this PART 2 — "Issuance of Additional Bonds."

Payments Under the Agreement and School District Bonds. Each School District will, pursuant to its Agreement, deliver its School District Bonds to the Authority to evidence its obligation to repay the Loan made by the Authority to such School District. The Series 2011 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 2011 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 2011 Bonds, the proceeds of such Series 2011 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 2011 Bonds, except for the Pledged Revenues pledged and assigned by any School District for which the Authority may in the future issue more than one Series of Bonds to finance Loans to such School District, which will secure all such Series of Bonds on a parity basis. The Authority has previously issued a Series of Bonds in 2002 and loaned a portion of the proceeds of such Series to Catskill Central School District. The Authority has previously issued a Series of Bonds in 2009 and loaned a portion of the proceeds of such Series to East Irondequoit Central School District.

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 2011 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 2011 Bonds, have been paid or otherwise discharged. The Pledged Revenues pledged and assigned by one School District will not be available to satisfy the obligation of any other School District.

The Act authorizes an intercept mechanism under which the State Comptroller shall pay the State aid assigned by the School District to the Authority directly to the Authority upon the occurrence of certain events of default. Pursuant to this intercept mechanism, the Authority is required to certify annually to the Commissioner of Education a statement of all amounts due from each of the School Districts to the Authority. The Commissioner of Education, in turn, is required to include in the certificate filed with the State Comptroller, a statement showing the amount owed to the Authority by each of the School Districts. Pursuant to the MOU, the Authority has agreed to notify the Commissioner of Education within five business days after payment is due of any failure by any School District to pay (a "Delinquency Notice") and the Commissioner of Education has agreed to promptly forward such

Delinquency Notice to the State Comptroller. Upon receipt of such Delinquency Notice, the State Comptroller agrees to pay to the Trustee the amount set forth in the Delinquency Notice from any funds of the State that become due and payable to the defaulting School District. Until the amount set forth in the Delinquency Notice has been fully paid to the Trustee, the State Comptroller shall not pay any State funds to the defaulting School District.

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

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

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

Issuance of Additional Bonds

In addition to the Series 2011 Bonds, the Master Resolution authorizes the issuance of other Series of Bonds for other school districts and for specified purposes, including to refund Outstanding Bonds issued under the Master Resolution. Each Series of Bonds issued under the Master Resolution will be separately secured by the pledge and assignment of the Applicable Revenues, the Authority’s interest in the Applicable Pledged Revenues, the proceeds from the sale of such Series of Bonds and all funds and accounts (with the exception of the Arbitrage Rebate Fund) authorized by the Applicable Series Resolution.

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

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

General

The Series 2011 Bonds will not be a debt of the State of New York nor will the State be liable thereon. The Authority has no taxing power. The Authority has never defaulted in the timely payment of principal or sinking fund installments of or interest on its bonds or notes. See “PART 7 – THE AUTHORITY.”

Defaults and Remedies under the Agreement

Among the events which would constitute an “event of default” under an Agreement are the failure by the School District to pay the amounts due under the Agreement as evidenced by its School District Bonds or any other amounts due under the Agreement or to observe or perform any of the covenants, conditions or agreements contained in the Agreement which continues for the applicable grace period after notice of such failure has been given to such School District. In the event any such event of default happens as a result of a failure to pay the amounts due under the Agreement, the Authority may direct payment to the Trustee pursuant to the State aid intercept mechanism authorized by the Act and implemented by the MOU of certain State aid payable by the State to such School District. See in this PART 2 – "Security for the Series 2011 Bonds." In the event any other event of default happens and continues, the Authority may exercise a number of remedies, including such remedies as are available to the holder of the School District Bonds, and any other remedies available at law or in equity. *In no event may any "event of default" under an Agreement cause an acceleration of the amounts due under such Agreement*.

Default and Remedies under the Master Resolution

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

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

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

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

Bond Insurance

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

Bond Insurance Policy

Concurrently with the issuance of the Series 2011 Bonds, Assured Guaranty Municipal Corp. ("AGM" or the "Insurer") will issue its municipal bond insurance policy for the Insured Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Insured Bonds when due as set forth in the form of the Policy included as an exhibit to this Official Statement.

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

Assured Guaranty Municipal Corp.

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

AGM's financial strength is rated "AA+" (CreditWatch negative) by Standard and Poor's Ratings Services, a Standard & Poor's Financial Services LLC business ("S&P") and "Aa3" (negative outlook) 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, as S&P has done, 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

The most recent rating action by S&P on AGM took place on September 27, 2011, when S&P published a Research Update in which it placed AGM's "AA+" (negative outlook) financial strength rating on CreditWatch negative, meaning that S&P may downgrade AGM's financial strength rating in the near future. According to S&P, the CreditWatch placement is due to significant concentration risk in AGM's insured portfolio; the portfolio contains exposures that are not consistent with S&P's new bond insurance rating criteria and breach the "largest obligor test" in such new criteria. The largest obligor test appears to have the effect of significantly reducing AGM and its affiliates' allowed single risk limits and limiting their financial strength rating level. S&P published updated criteria in Bond Insurance Rating Methodology and Assumptions on August 25, 2011, subsequent to its publication of Request for Comment: Bond Insurance Criteria on January 24, 2011. According to S&P, based on statements from AGL's management that it intends to take action such as create capital or utilize additional forms of reinsurance to mitigate these concentration risks, it is likely such actions, if taken, would support financial strength ratings in the "AA" category. AGL is considering transactions that are designed to create capital and/or mitigate its concentration risks but can give no assurance that it will be able to complete the transactions at all or on terms that are acceptable. If it cannot do so, S&P may downgrade the financial strength rating of AGM, which downgrade may have an adverse impact on its financial condition, results of operation, liquidity, business prospects or other aspects of AGM's business and on its insured portfolio. S&P noted that it expects to resolve this CreditWatch placement no later than November 30, 2011. 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.

The most recent rating action by Moody's on AGM took place on December 18, 2009, when Moody's issued a press release stating that it had affirmed the "Aa3" insurance financial strength rating of AGM, with a negative outlook. Reference is made to the press release, a copy of which is available at www.moodys.com, for the complete text of Moody's comments. Moody's is in the process of reviewing AGL and its subsidiaries and there can be no assurance as to any ratings action that Moody's may take with respect to AGM.

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, 2010, as amended by its Form 10-K/A; its Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2011 and June 30, 2011, each as amended by its Form 10-Q/A; and its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2011.

Capitalization of Assured Guaranty Municipal Corp.

At September 30, 2011, AGM's consolidated policyholders' surplus and contingency reserves were approximately $3,105,604,840 and its total net unearned premium reserve was approximately $2,207,101,966, in each case, in accordance with statutory accounting principles.

AGM's statutory financial statements for the fiscal year ended December 31, 2010 and for the quarterly periods ended March 31, 2011, June 30, 2011 and September 30, 2011, which have been filed with the New York State Department of Financial Services and posted on AGL's website at http://www.assuredguaranty.com, are incorporated by reference into this Official Statement and shall be deemed to be a part hereof.

Incorporation of Certain Documents by Reference

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

(i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2010, as amended by Amendment No. 1 on Form 10-K/A (filed by AGL with the SEC on March 1, 2011 and October 31, 2011, respectively);

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011, as amended by Amendment No. 1 on Form 10-Q/A (filed by AGL with the SEC on May 10, 2011 and November 14, 2011, respectively);

(iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2011, as amended by Amendment No. 1 on Form 10-Q/A (filed by AGL with the SEC on August 9, 2011 and November 14, 2011, respectively); and

(iv) the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2011 (filed by AGL with the SEC on November 14, 2011).

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

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

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

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

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

PART 3 – THE SERIES 2011 BONDS

Description of the Series 2011 Bonds

The Series 2011 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 2011 Bonds is payable each April 1 and October 1, commencing October 1, 2012.

The Series 2011 Bonds will be issued as fully registered bonds. The Series 2011 Bonds will be issued in denominations of $5,000 or any integral multiple thereof. The Series 2011 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 2011 Bonds will be made in book-entry form, without certificates. If at any time the Book-Entry Only System is discontinued for the Series 2011 Bonds, the Series 2011 Bonds will be exchangeable for other fully registered Series 2011 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 2011 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 2011 Bonds by wire transfer to the Holder of the Series 2011 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 2011 Bonds will be payable in lawful money of the United States of America at the principal corporate trust office of U.S. Bank National Association, New York, New York, the Trustee and Paying Agent. As long as the Series 2011 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 2011 Bonds, see "Appendix E – Summary of Certain Provisions of the Master Resolution."

Redemption Provisions

The Series 2011 Bonds are subject to optional and mandatory redemption as described below.

Optional Redemption

The Series 2011E Bonds maturing on or before April 1, 2019 are not subject to optional redemption prior to maturity. The Series 2011E Bonds maturing after April 1, 2019 are subject to redemption prior to maturity on or after April 1, 2019 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 2011E Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

The Series 2011F Bonds maturing on or before October 1, 2019 are not subject to optional redemption prior to maturity. The Series 2011F Bonds maturing after October 1, 2019 are subject to redemption prior to maturity on or after October 1, 2019 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 2011F Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

The Series 2011G Bonds maturing on or before October 1, 2019 are not subject to optional redemption prior to maturity. The Series 2011G Bonds maturing after October 1, 2019 are subject to redemption prior to maturity on or after October 1, 2019 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 2011G Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

The Series 2011H Bonds maturing on or before October 1, 2021 are not subject to optional redemption prior to maturity. The Series 2011H Bonds maturing after October 1, 2021 are subject to redemption prior to maturity on or after October 1, 2021 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 2011H Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

Mandatory Redemption

The Series 2011E Bonds maturing on April 1, 2032 are subject to mandatory sinking fund redemption, in part, on each of the dates and in the respective principal amounts set forth below, at a Redemption Price of 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem the principal amounts of Series 2011E Bonds specified for each of the dates shown below:

Series 2011E Term Bonds
Maturing April 1, 2032

Year	Sinking Fund Installment
2027	$370,000
2028	385,000
2029	405,000
2030	195,000
2031	205,000
2032	215,000*

*Stated maturity.

The Series 2011F Bonds maturing on October 1, 2033 and October 1, 2041 are subject to mandatory sinking fund redemption, in part, on each of the dates and in the respective principal amounts set forth below, at a Redemption Price of 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem the principal amounts of Series 2011F Bonds specified for each of the dates shown below:

Series 2011F Term Bonds
Maturing October 1, 2033

Year	Sinking Fund Installment
2027	$390,000
2028	410,000
2029	425,000
2030	445,000
2031	470,000
2032	490,000
2033	510,000*

Series 2011F Term Bonds
Maturing October 1, 2041

Year	Sinking Fund Installment
2034	$535,000
2035	560,000
2036	585,000
2037	615,000
2038	645,000
2039	675,000
2040	705,000
2041	360,000*

*Stated maturity.

The Series 2011G Bonds maturing on October 1, 2032 and October 1, 2040 are subject to mandatory sinking fund redemption, in part, on each of the dates and in the respective principal amounts set forth below, at a Redemption Price of 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem the principal amounts of Series 2011G Bonds specified for each of the dates shown below:

Series 2011G Term Bonds Maturing October 1, 2032

Year	Sinking Fund Installment
2028	$1,095,000
2029	1,150,000
2030	1,210,000
2031	720,000
2032	205,000*

Series 2011G Term Bonds Maturing October 1, 2040

Year	Sinking Fund Installment
2033	$215,000
2034	225,000
2035	235,000
2036	250,000
2037	260,000
2038	270,000
2039	285,000
2040	160,000*

*Stated maturity.

Notice of Redemption

Whenever Series 2011 Bonds are to be redeemed, the Trustee will give notice of the redemption of the Series 2011 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 2011 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 2011 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 2011 Bond to be redeemed to receive such notice will not affect the validity of the proceedings for the redemption of the Series 2011 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 2011 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 2011 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 2011 Bonds. The Series 2011 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 2011 Bond certificate will be issued for each maturity of each Series of the Series 2011 Bonds, each in the aggregate principal amount of such maturity of such Series, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, and trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2011 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2011 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2011 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 2011 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 2011 Bonds, except in the event that use of the book-entry system for the Series 2011 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2011 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 2011 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 2011 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2011 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 a Series of the Series 2011 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 Series and maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2011 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 2011 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 2011 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.

DTC may discontinue providing its services as depository with respect to the Series 2011 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, the Series 2011 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, the Series 2011 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 Direct or Indirect Participant acquires an interest in the Series 2011 Bonds, as nominee, may desire to make arrangements with such Direct or Indirect Participant to receive a credit balance in the records of such Direct or Indirect Participant, and may desire to make arrangements with such Direct or Indirect Participant to have all notices of redemption or other communications of DTC, which may affect such persons, to be forwarded in writing by such Direct or Indirect Participant and to have notification made of all interest payments. NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH DIRECT OR INDIRECT PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2011 BONDS.

So long as Cede & Co. is the registered owner of the Series 2011 Bonds, as nominee for DTC, references herein to the Bondholders or registered owners of the Series 2011 Bonds (other than under the caption "PART 10 — TAX MATTERS" herein) shall mean Cede & Co., as aforesaid, and do not mean the Beneficial Owners of the Series 2011 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 2011 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 2011 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 2011 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 2011 BONDS; (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE SERIES 2011 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 2011E Bonds during each twelve-month period ending April 1 of the years shown.

12-Month Period Ending April 1,	Principal of the Series 2011E Bonds	Interest on the Series 2011E Bonds	Total Debt Service on the Series 2011E Bonds
2013	$595,000	$760,806	$1,355,806
2014	780,000	575,848	1,355,848
2015	800,000	552,448	1,352,448
2016	835,000	520,448	1,355,448
2017	865,000	487,048	1,352,048
2018	900,000	452,448	1,352,448
2019	940,000	416,448	1,356,448
2020	975,000	378,848	1,353,848
2021	1,025,000	330,098	1,355,098
2022	1,075,000	278,848	1,353,848
2023	1,130,000	225,098	1,355,098
2024	1,065,000	168,598	1,233,598
2025	380,000	115,348	495,348
2026	355,000	99,578	454,578
2027	370,000	84,313	454,313
2028	385,000	66,738	451,738
2029	405,000	48,450	453,450
2030	195,000	29,213	224,213
2031	205,000	19,950	224,950
2032	215,000	10,213	225,213

The following table sets forth the principal, the interest and the total debt service to be paid on the Series 2011F Bonds during each twelve-month period ending October 1 of the years shown.

12-Month Period Ending October 1,	Principal of the Series 2011F Bonds	Interest on the Series 2011F Bonds	Total Debt Service on the Series 2011F Bonds
2012	$290,000	$414,269	$704,269
2013	240,000	515,658	755,658
2014	245,000	510,858	755,858
2015	250,000	505,958	755,958
2016	260,000	495,958	755,958
2017	270,000	488,158	758,158
2018	280,000	477,358	757,358
2019	290,000	468,958	758,958
2020	300,000	460,258	760,258
2021	315,000	445,258	760,258
2022	325,000	434,626	759,626
2023	335,000	423,251	758,251
2024	345,000	410,856	755,856
2025	360,000	397,488	757,488
2026	375,000	383,088	758,088
2027	390,000	367,525	757,525
2028	410,000	349,488	759,488
2029	425,000	330,525	755,525
2030	445,000	310,869	755,869
2031	470,000	290,288	760,288
2032	490,000	268,550	758,550
2033	510,000	245,888	755,888
2034	535,000	222,300	757,300
2035	560,000	196,888	756,888
2036	585,000	170,288	755,288
2037	615,000	142,500	757,500
2038	645,000	113,288	758,288
2039	675,000	82,650	757,650
2040	705,000	50,588	755,588
2041	360,000	17,100	377,100

The following table sets forth the principal, the interest and the total debt service to be paid on the Series 2011G Bonds during each twelve-month period ending October 1 of the years shown.

12-Month Period Ending October 1,	Principal of the Series 2011G Bonds	Interest on the Series 2011G Bonds	Total Debt Service on the Series 2011G Bonds
2012	$1,645,000	$920,803	$2,565,803
2013	1,415,000	1,109,703	2,524,703
2014	1,460,000	1,081,403	2,541,403
2015	1,480,000	1,052,203	2,532,203
2016	1,505,000	1,022,603	2,527,603
2017	1,540,000	988,740	2,528,740
2018	1,585,000	950,240	2,535,240
2019	1,630,000	906,653	2,536,653
2020	1,675,000	855,715	2,530,715
2021	1,740,000	799,184	2,539,184
2022	1,795,000	738,284	2,533,284
2023	1,865,000	671,869	2,536,869
2024	1,930,000	599,600	2,529,600
2025	2,010,000	522,400	2,532,400
2026	2,075,000	438,985	2,513,985
2027	1,055,000	349,760	1,404,760
2028	1,095,000	303,340	1,398,340
2029	1,150,000	250,780	1,400,780
2030	1,210,000	195,580	1,405,580
2031	720,000	137,500	857,500
2032	205,000	102,940	307,940
2033	215,000	93,100	308,100
2034	225,000	82,565	307,565
2035	235,000	71,540	306,540
2036	250,000	60,025	310,025
2037	260,000	47,775	307,775
2038	270,000	35,035	305,035
2039	285,000	21,805	306,805
2040	160,000	7,840	167,840

The following table sets forth the principal, the interest and the total debt service to be paid on the Series 2011H Bonds during each twelve-month period ending October 1 of the years shown.

12-Month Period Ending October 1,	Principal of the Series 2011H Bonds	Interest on the Series 2011H Bonds	Total Debt Service on the Series 2011H Bonds
2012	$3,525,000	$2,876,956	$6,401,956
2013	4,690,000	3,515,594	8,205,594
2014	4,875,000	3,327,994	8,202,994
2015	5,100,000	3,132,994	8,232,994
2016	5,370,000	2,877,994	8,247,994
2017	5,630,000	2,609,494	8,239,494
2018	5,925,000	2,327,994	8,252,994
2019	6,235,000	2,031,744	8,266,744
2020	6,550,000	1,719,994	8,269,994
2021	6,890,000	1,392,494	8,282,494
2022	7,240,000	1,047,994	8,287,994
2023	7,620,000	685,994	8,305,994
2024	5,300,000	304,994	5,604,994
2025	590,000	39,994	629,994
2026	185,000	16,394	201,394
2027	195,000	8,531	203,531

PART 4 – THE SCHOOL DISTRICTS

The principal amount of the Loans to the School Districts, the financial advisor to the School Districts and the bond counsel to the School Districts are listed in Appendix B hereto. Summaries of the constitutional and statutory debt structure and tax and revenue collections which are generally applicable to all school districts in the State are included in this PART 4. Certain financial and economic information for each School District is included in Appendix C. The most recent financial statements 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.

Summaries of Constitutional and Statutory Debt Provisions

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

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

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

Special Provisions Affecting Remedies on Default

Section 99-b of the State Finance Law provides a mechanism for the intercept of certain State aid or assistance for the payment of the principal of and interest on bonds and notes of a school district (including School

District Bonds) in default on such payment. The intercept mechanism provides procedures for giving of default notices to the State Comptroller, payment by the State Comptroller to the paying agent or agents for the bonds and notes in default of all or a portion of the amount then due and allotment, apportionment or payment by the State Comptroller of such State aid or assistance due to such school district.

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

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

Under current law, provision is made for contract creditors (including the Authority as the holder of the School District Bonds delivered pursuant to the Agreement) of school districts 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 Tax 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 Cap"). Chapter 97 allows a school district to exceed the Tax 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 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:

- 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 Cap. School district obligations issued to finance 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.

- 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 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.

- 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 portion of the tax levy necessary to pay debt service on the School District Bonds will be excluded from each School District's calculation of the Tax 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 incomes of $79,050 (adjusted annually) or less are eligible for a "full value" exemption of $60,100 (adjusted annually). Other homeowners with household incomes of less than $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 2010 fiscal year, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. The State's budget for the current fiscal year includes a significant reduction in State aid for the 2011-2012 school year and limits the growth of future State aid payments to a rate tied to the growth in State personal income, which may result in further reductions in State aid in future fiscal years to certain school districts. Under the current budget, low-wealth school districts would receive proportionally smaller reductions in State aid payments than high-wealth school districts. See Appendix C for information relating to State aid payments for each of the School Districts.

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

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

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

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

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

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

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

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

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

Litigation

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

PART 5 – ESTIMATED SOURCES AND USES OF FUNDS

Estimated sources and uses of funds are as follows:

Estimated Sources of Funds	**Series 2011E Bonds**	**Series 2011F Bonds**	**Series 2011G Bonds**	**Series 2011H Bonds**
Principal Amount	$13,495,000	$12,300,000	$32,685,000	$75,920,000
Net Original Issue Premium	880,251	1,605	24,704	8,510,313
Total Estimated Sources	$14,375,251	$12,301,605	$32,709,704	$84,430,313
Estimated Uses of Funds				
Deposit to Project Account	$13,990,000	$11,947,415	$31,788,725	$82,305,000
Costs of Issuance*	293,103	267,510	701,326	1,628,128
Underwriters' Discount	92,148	86,680	219,653	497,185
Total Estimated Uses	$14,375,251	$12,301,605	$32,709,704	$84,430,313

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

PART 6 – THE PLAN OF FINANCE

A portion of the proceeds of each Series of the Series 2011 Bonds will be used to provide for the financing of all or a portion of the costs of school district capital facilities and school district capital equipment of the School Districts and/or the refinancing of certain bond anticipation notes of the School Districts the proceeds of which were used to finance all or a portion of the costs of school district capital facilities and school district capital equipment of such School District. Additional information regarding the indebtedness of each School District is included in Appendix C.

PART 7 – THE AUTHORITY

Background, Purposes and Powers

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

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

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

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

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

At September 30, 2011, the Authority had approximately $44.5 billion aggregate principal amount of bonds and notes outstanding, excluding indebtedness of the Agency assumed by the Authority on September 1, 1995 pursuant to the Consolidation Act. The debt service on each such issue of the Authority's bonds and notes is paid from moneys received by the Authority or the trustee from or on behalf of the entity having facilities financed with the proceeds from such issue or from borrowers in connection with its student loan program.

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

The total amounts of the Authority bonds and notes (excluding debt of the Agency assumed by the Authority on September 1, 1995 pursuant to the Consolidation Act) outstanding at September 30, 2011 were as follows:

Public Programs	**Bonds Issued**	**Bonds Outstanding**	**Notes Outstanding**	**Bonds and Notes Outstanding**
State University of New York Dormitory Facilities	$ 2,738,656,000	$ 1,364,250,000	$ 0	$ 1,364,250,000
State University of New York Educational and Athletic Facilities	15,164,127,999	6,985,184,624	0	6,985,184,624
Upstate Community Colleges of the State University of New York	1,644,630,000	669,655,000	0	669,655,000
Senior Colleges of the City University of New York	11,126,291,762	3,735,313,213	0	3,735,313,213
Community Colleges of the City University of New York	2,590,993,350	552,686,787	0	552,686,787
BOCES and School Districts	3,144,781,208	2,394,440,000	0	2,394,440,000
Judicial Facilities	2,161,277,717	668,012,717	0	668,012,717
New York State Departments of Health and Education and Other	7,192,215,000	4,856,945,000	0	4,856,945,000
Mental Health Services Facilities	8,306,980,000	3,890,355,000	0	3,890,355,000
New York State Taxable Pension Bonds	773,475,000	0	0	0
Municipal Health Facilities Improvement Program	1,146,845,000	728,335,000	0	728,335,000
Totals Public Programs	$ 55,990,273,036	$ 25,845,177,341	$ 0	$ 25,845,177,341

Non-Public Programs	**Bonds Issued**	**Bonds Outstanding**	**Notes Outstanding**	**Bonds and Notes Outstanding**
Independent Colleges, Universities and Other Institutions	$ 20,583,849,952	$ 10,716,912,367	$ 78,095,000	$ 10,795,007,367
Voluntary Non-Profit Hospitals	14,799,954,309	7,251,440,000	0	7,251,440,000
Facilities for the Aged	2,010,975,000	657,065,000	0	657,065,000
Supplemental Higher Education Loan Financing Program	95,000,000	0	0	0
Totals Non-Public Programs	$ 37,489,779,261	$ 18,625,417,367	$ 78,095,000	$ 18,703,512,367
Grand Totals Bonds and Notes	$ 93,480,052,297	$ 44,470,594,708	$ 78,095,000	$ 44,548,689,708

Outstanding Indebtedness of the Agency Assumed by the Authority

At September 30, 2011, the Agency had approximately $227 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, 2011 were as follows:

Public Programs	**Bonds Issued**	**Bonds Outstanding**
Mental Health Services Improvement Facilities	$ 3,817,230,725	$ 0
Non-Public Programs	**Bonds Issued**	**Bonds Outstanding**
Hospital and Nursing Home Project Bond Program	$ 226,230,000	$ 2,480,000
Insured Mortgage Programs	6,625,079,927	220,185,000
Revenue Bonds, Secured Loan and Other Programs	2,414,240,000	3,965,000
Total Non-Public Programs	$ 9,265,549,927	$ 226,630,000
Total MCFFA Outstanding Debt	$ 13,082,780,652	$ 226,630,000

Governance

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

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

The current members of the Authority are as follows:

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

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

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

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

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

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

CHARLES G. MOERDLER, ESQ., New York.

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

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

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

SANDRA M. SHAPARD, Delmar.

Ms. Shapard was appointed as a Member of the Authority by the State Comptroller on January 21, 2003. Ms. Shapard served as Deputy Comptroller for the Office of the State Comptroller from January, 1995 until her retirement in 2001, during which time she headed the Office of Fiscal Research and Policy Analysis and twice served as Acting First Deputy Comptroller. Previously, Ms. Shapard held the positions of Deputy Director and First Deputy Director for the New York State Division of Budget, from 1991 to 1994, and Deputy Assistant Commissioner for Transit for the State Department of Transportation, from 1988 to 1991. She began her career in

New York State government with the Assembly in 1975 where, over a thirteen year period, she held the positions of Staff Director of the Office of Counsel to the Majority, Special Assistant to the Speaker, and Deputy Director of Budget Studies for the Committee on Ways and Means. Ms. Shapard also served as Assistant to the County Executive in Dutchess County. A graduate of Mississippi University for Women, Ms. Shapard received a Masters of Public Administration from Harvard University, John F. Kennedy School of Government, where she has served as visiting lecturer, and has completed graduate work at Vanderbilt University.

GERARD ROMSKI, Esq., Mount Kisco.

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

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

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

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

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

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

Nirav R. Shah, M.D., M.P.H.., was appointed Commissioner of Health on January 24, 2011. Prior to his appointment he served as Attending Physician at Bellevue Hospital Center, Associate Investigator at the Geisinger Center for Health Research in central Pennsylvania, and Assistant Professor of Medicine at the NYU Langone

Medical Center. Dr. Shah is an expert in use of systems-based methods, a leading researcher in use of large scale clinical laboratories and electronic health records and he has served on the editorial boards of various medical journals. He is a graduate of Harvard College, received his medical and master of public health degrees from Yale School of Medicine, was a Robert Wood Johnson Clinical Scholar at UCLA and a National Research Service Award Fellow at NYU.

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

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

The principal staff of the Authority is as follows:

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

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

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

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

JEFFREY M. POHL is General Counsel to the Authority. Mr. Pohl is responsible for all legal services including legislation, litigation, contract matters and the legal aspects of all Authority financings. He is a member of the New York State Bar, and most recently served as a counsel in the public finance group of a large New York law firm. Mr. Pohl had previously served in various capacities in State government with the Office of the State Comptroller and the New York State Senate. He holds a Bachelor's degree from Franklin and Marshall College and a Juris Doctor degree from Albany Law School of Union University.

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 20 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.

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 2011 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 school district capital facilities and school district equipment of the School Districts to the extent such acts and regulations are applicable.

Independent Auditors

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

PART 8 – LEGALITY OF THE SERIES 2011 BONDS FOR INVESTMENT AND DEPOSIT

Under New York State law, the Series 2011 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 2011 Bonds.

The Series 2011 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 2011 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 2011 Bonds.

PART 10 – TAX MATTERS

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and court decisions, and assuming continuing compliance with the covenants described herein, and the accuracy of certain representations by the Authority and the School Districts (and their successors), interest on the Series 2011 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that interest on the Series 2011 Bonds is not an "item of tax preference" for purposes of the individual and corporate alternative minimum taxes imposed under the Code; provided, however, that interest on the Series 2011 Bonds owned by corporations will be included in the calculation of adjusted current earnings, a portion of which is an adjustment to corporate alternative minimum taxable income for purposes of calculating the alternative minimum tax imposed on corporations.

The Code imposes various requirements that must be met in order that interest on the Series 2011 Bonds will be and remain excluded from gross income for federal income tax purposes. Included among these requirements are restrictions on the investment and use of proceeds of the Series 2011 Bonds and the rebate of certain earnings in respect of such investments to the United States. Failure to comply with the requirements of the Code may cause interest on the Series 2011 Bonds to be included in gross income for purposes of federal income tax retroactive to the date of original execution and delivery of the Series 2011 Bonds, regardless of the date on which the event causing such inclusion occurs. The Authority and the School Districts have covenanted in the Resolutions, the Agreements, the Tax Certificates and the Arbitrage and Use of Proceeds Certificates to comply with the requirements of the Code and have made representations in such documents addressing various matters relating to the requirements of the Code. The opinion of Bond Counsel assumes continuing compliance with such covenants as well as the accuracy of such representations made by the Authority and the School Districts (and their successors).

Certain requirements and procedures contained or referred to in the Resolutions, the Agreements, the Tax Certificates, the Arbitrage and Use of Proceeds Certificates and other relevant documents may be changed, and certain actions may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of Bond Counsel. The opinion of Bond Counsel states that no opinion is rendered as to the exclusion from gross income of interest on the Series 2011 Bonds for purposes of federal income taxation on or after the date on which any change occurs or action is taken or omitted under the Resolutions, the Agreements, the Tax Certificates and the Arbitrage and Use of Proceeds Certificates or under any other relevant documents without the advice or approval of, or upon the advice or approval of any bond counsel other than, Hiscock & Barclay, LLP.

Certain maturities of Series 2011 Bonds (the "Discount Bonds") are being sold to the initial purchasers at prices less than the stated principal amounts thereof. The difference between the stated principal amount of the Discount Bonds and the initial offering price to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Discount Bonds of the same maturity were sold constitutes original issue discount that is excluded from gross income for federal income tax purposes to the same extent as interest on the Series 2011 Bonds. Further, such original issue discount accrues actuarially on a constant yield basis over the term of each Discount Bond and the basis of such Discount Bond acquired at such initial offering price by an initial purchaser of each Discount Bond will be increased by the amount of such accrued discount.

Certain maturities of Series 2011 Bonds (the "Premium Bonds") are being sold to the initial purchasers at prices greater than the stated principal amount thereof. The Premium Bonds will be subject to requirements under the Code relating to tax cost reduction associated with the amortization of bond premium and, under certain circumstances, the initial owner of a Premium Bond may realize taxable gain upon disposition of Premium Bonds even though sold or redeemed for an amount less than or equal to such owner's original cost of acquiring Premium Bonds. The amortization requirements may also result in the reduction of the amount of stated interest that an owner of Premium Bonds is treated as having received for federal tax purposes (and an adjustment to basis). Owners of Premium Bonds are advised to consult with their own tax advisors with respect to the tax consequences of owning such Premium Bonds.

Prospective purchasers of the Series 2011 Bonds should be aware that ownership of, accrual or receipt of interest on, or disposition of, the Series 2011 Bonds may have collateral federal income tax consequences for certain taxpayers, including financial corporations, insurance companies, Subchapter S corporations, certain foreign corporations, individual recipients of social security or railroad retirement benefits, individuals benefiting from the earned income credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their tax advisors as to any possible collateral consequences of their ownership of, accrual or receipt of interest on, or disposition of the Series 2011 Bonds. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

Interest paid on tax-exempt obligations is subject to information reporting to the Internal Revenue Service (the "IRS") in a manner similar to interest paid on taxable obligations. Interest on the Series 2011 Bonds may be subject to backup withholding if such interest is paid to a registered owner who or which (i) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (ii) has been identified by the IRS as being subject to backup withholding. Amounts withheld under the backup withholding rules will be paid to the IRS as federal income tax withheld on behalf of the registered owner of the Series 2011 Bonds and will be allowed as a refund or credit against such owner's federal income tax liability (or the federal income tax liability of the beneficial owner of the Series 2011 Bonds, if other than the registered owner).

In the opinion of Bond Counsel, interest on the Series 2011 Bonds is exempt under existing laws from personal income taxes imposed by the State of New York and its political subdivisions (including The City of New York). See "Appendix F – Form of Approving Opinion of Bond Counsel."

Tax legislation, administrative actions taken by tax authorities or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Series 2011 Bonds under federal or state law or otherwise prevent Holders from realizing the full current benefit of the tax-exempt status of interest on the Series 2011 Bonds. In addition, such legislation or actions (whether currently proposed, proposed in the future or enacted) and such decisions could affect the market price or marketability of the Series 2011 Bonds. For example, on September 12, 2011, President Obama sent to Congress draft legislation entitled the "American Jobs Act of 2011" (the "Proposed Act"). The Proposed Act was introduced in the Senate (S. 1549). On October 11, 2011, a procedural vote in the Senate to end debate on the Proposed Act and allow a vote on the Proposed Act did not pass. The Proposed Act included a provision that, if enacted as proposed, would have limited the amount of exclusions (including tax-exempt interest, such as interest on the Series 2011 Bonds) that certain high income taxpayers could use to reduce their income tax liability for taxable years after 2012. Prospective purchasers of the Series 2011 Bonds should consult their own tax advisors regarding pending or proposed tax legislation, administrative actions taken by tax authorities or court decisions, and regarding the impact of future legislation, administrative actions or court decisions.

Bond Counsel's engagement with respect to the Series 2011 Bonds ends with the issuance of the Series 2011 Bonds and, unless separately engaged, Bond Counsel is not obligated to defend the Authority or the Bondholders regarding the tax-exempt status of the Series 2011 Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Authority and its appointed counsel, including the Bondholders, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Authority legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2011 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 2011 Bonds, and may cause the Authority, the School Districts or the Bondholders to incur significant expense.

PART 11 – STATE NOT LIABLE ON THE SERIES 2011 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 2011 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 2011 Bonds by the Authority are subject to the approval of Hiscock & Barclay, LLP, Albany, New York, Bond Counsel to the Authority, whose approving opinion will be delivered with the Series 2011 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, and for each School District by its respective bond counsel as listed in Appendix B hereto.

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

There is no pending litigation restraining or enjoining the issuance or delivery of the Series 2011 Bonds or questioning or affecting the validity of the Series 2011 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 2011E Bonds from the Authority at an aggregate purchase price of $14,283,103.48 (which represents the par amount of the Series 2011E Bonds less the Underwriters' discount of $92,147.72, plus net original issue premium of $880,251.20) and to make a public offering of the Series 2011E 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 2011F Bonds from the Authority at an aggregate purchase price of $12,214,924.90 (which represents the par amount of the Series 2011F Bonds less the Underwriters' discount of $86,679.80, plus net original issue premium of $1,604.70) and to make a public offering of the Series 2011F 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 2011G Bonds from the Authority at an aggregate purchase price of $32,490,051.21 (which represents the par amount of the Series 2011G Bonds less the Underwriters' discount of $219,653.19, plus net original issue premium of $24,704.40) and to make a public offering of the Series 2011G 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 2011H Bonds from the Authority at an aggregate purchase price of $83,933,128.23 (which represents the par amount of the Series 2011H Bonds less the Underwriters' discount of $497,185.17, plus net original issue premium of $8,510,313.40) and to make a public offering of the Series 2011H Bonds at prices that are not in excess of the public offering prices stated on the inside cover page of this Official Statement.

The Series 2011 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.

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 2011 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. To the extent that a School District's annual financial statements relating to the fiscal year ending June 30, 2011 have not been delivered to the Authority prior to the delivery of the Series 2011 Bonds, such School District shall further undertake to deliver such annual financial statements to the Authority and the MSRB through its EMMA system on or before December 31, 2011.

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 2011 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 2011 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 2011 Bonds; (7) modifications to the rights of holders of the Series 2011 Bonds, if material; (8) bond calls, if material; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Series 2011 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 2011 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 2011 Bonds or by the Trustee on behalf of the Holders of Outstanding Series 2011 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 2011 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 2011 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 2011 Bonds. Copies of all of the Continuing Disclosure Agreements when executed by the parties thereto upon the delivery of the Series 2011 Bonds will be on file at the principal office of the Authority.

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

PART 16 – RATINGS

Moody's Investors Service Inc. ("Moody's") and Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("Standard & Poor's") are each expected to assign a rating of "Aa3" and "AA+", respectively, to the Insured Bonds, based on the understanding that the municipal insurance policy of AGM insuring the scheduled repayment of principal and interest due with respect to the Insured Bonds will be issued by AGM upon the issuance of the Insured Bonds. Standard & Poor's and Fitch Ratings ("Fitch") have each assigned underlying ratings of "A+" to the Series 2011 Bonds. Moody's has assigned underlying ratings of "Aa2", "A3" and "A1" to the Series 2011F Bonds, the Series 2011G Bonds and the Series 2011H Bonds, respectively.

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 2011 Bonds.

PART 17 – 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 2011 Bonds, as to the accuracy of such information provided or authorized by it.

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

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

Insurer and the Policy. The information in "PART 2 – SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2011 BONDS – Bond Insurance" and "Appendix G – 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 Hiscock & Barclay, LLP, Albany, 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 2011 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, the Insurer or DTC, but which information the Authority has no reason to believe is untrue or incomplete in any material respect).

The references herein to the Act, other laws of the State, the Master Resolution, the Agreements and the School District Bonds are brief outlines of certain provisions thereof. Such outlines do not purport to be complete and reference should be made to each for a full and complete statement of its provisions. The agreements of the Authority with the registered owners of the Series 2011 Bonds are fully set forth in the Master Resolution (including any Supplemental and Series Resolutions thereto), and neither any advertisement of the Series 2011 Bonds nor this Official Statement is to be construed as a contract with the purchasers of the Series 2011 Bonds. So far as any statements are made in this Official Statement involving matters of opinion or an estimate, whether or not expressly so stated, they are intended merely as such and not as representations of fact. Copies of the documents mentioned in this paragraph are on file at the offices of the Authority and the Trustee.

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

DORMITORY AUTHORITY OF
THE STATE OF NEW YORK

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

DEFINITIONS

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DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Financing Agreement or *Agreement* means the Financing Agreement relating to the Bonds, dated as of October 1, 2011, by and between the Authority and the Applicable School District.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Series Resolution means a resolution of the Authority, including the Series 2011 Resolution, authorizing the issuance of a Series of Bonds adopted by the Authority pursuant to the Master Resolution.

Series 2011E Bond Series Certificate means the Certificate of an authorized officer of the Authority, fixing terms, conditions and other details of the Series 2011E Bonds.

Series 2011F Bond Series Certificate means the Certificate of an authorized officer of the Authority, fixing terms, conditions and other details of the Series 2011F Bonds.

Series 2011G Bond Series Certificate means the Certificate of an authorized officer of the Authority, fixing terms, conditions and other details of the Series 2011G Bonds.

Series 2011H Bond Series Certificate means the Certificate of an authorized officer of the Authority, fixing terms, conditions and other details of the Series 2011H Bonds.

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

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

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

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

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

State means the State of New York.

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

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

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

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

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

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

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

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

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

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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 2011 Bonds, their financial advisors, their bond counsel and the principal amount being loaned to each School District, exclusive of original issue premium.

School District	Financial Advisor	Bond Counsel	Principal Amount of Series 2011E Loan	Principal Amount of Series 2011F Loan	Principal Amount of Series 2011G Loan	Principal Amount of Series 2011H Loan
Series 2011E:						
Catskill Central School District	FA	Hiscock	$13,495,000			
Series 2011F:						
East Irondequoit Central School District	BPD	Orrick		$12,300,000		
Series 2011G:						
Arkport Central School District	BPD	McGill			$4,515,000	
Worcester Central School District	BPD	McGill			$28,170,000	
Series 2011H:						
City School District of the City of Binghamton	FA	Orrick				$11,055,000
Malone Central School District	FA	Greisler				$2,275,000
Moriah Central School District	FA	Trespasz				$8,140,000
City School District of the City of Newburgh	FA	Harris				$32,540,000
City School District of the City of Oneida	FA	Orrick				$15,695,000
Waterville Central School District	FA	McGill				$4,160,000
Weedsport Central School District	FA	Trespasz				$2,055,000

Abbreviations for Financial Advisor and Bond Counsel

BPD	Bernard P. Donegan, Inc.
FA	Fiscal Advisors & Marketing, Inc.
Greisler	Lemery Greisler LLC
Harris	Harris Beach PLLC
Hiscock	Hiscock & Barclay, LLP
Lemery	Lemery Greisler LLC
McGill	Law Offices of Timothy R. McGill
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
ARKPORT CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-1 a brief description of the Arkport 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, centralized in 1936, is located in the Village of Arkport, New York, and serves residents of the Village plus part of the Towns of Fremont, Hornesville, Burns, Almond, Dansville and Birdsall, and Steuben and Allegany Counties. The District covers approximately 66 square miles.

The District is served by New York State Routes #17, #21, and #36. A Conrail line passes through the District, and two bus lines serve the area. The Hornell Airport, just south of the Village of Arkport, is available for use by small private aircraft. Commercial air transportation is available at the Elmira-Corning Regional Airport and the Greater Rochester International Airport.

Residents of the District find employment locally at such industries as Crowley Foods, Inc., New York State Electric and Gas Corporation and Dyco, as well as in the fields of health care and education. The area surrounding the District is more rural in character, with dairy and cash crop farming prevalent.

Water service is provided primarily by the Village of Arkport. Septic systems are maintained by individual property owners. Electricity and natural gas are provided by New York State Electric & Gas Corporation and National Fuel, while Verizon New York Inc. provides telephone service. Fire protection is provided by the Arkport Volunteer Fire Department. Ambulance service is provided by various volunteer corps. Police services are provided by the Steuben County Sheriff's Department and the New York State Police.

The District provides public education for grades K-12 in one building. Students in grades K-8 may elect to attend the local parochial school. Opportunities for higher education are available at the nearby Alfred University and the State University of New York at Alfred, as well as at the many colleges and universities in the Elmira, Corning and Rochester areas.

District residents are afforded all the usual commercial services in and around the City of Hornell. Recreational facilities are plentiful in the nearby Finger Lakes Region, and at the Stony Brook, Letchworth and Allegany State Parks.

Population

The current estimated population of the District is 3,000.

Five Largest Employers

Name	Type	Employees
Blades Construction	Construction	240
Crowley Foods, Inc.	Dairy Products	130
Arkport Central School District	Public Education	104
New York State Electric & Gas Corporation	Utility	80
Dyco	Manufacturer	50

Five Largest Taxpayers

Name	Type	Full Valuation
New York State Electric & Gas Corporation	Utility	$7,706,355
Green Acres Mobile Homes	Manufactured Housing	3,158,840
Hornell Water Company	Utility	2,898,963
City of Hornell	Airport	2,166,850
State of New York	State Land	2,124,090

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 15.81% 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 Steuben and Allegany Counties.

Year Average

	2006	2007	2008	2009	2010
Steuben County	5.4%	5.3%	6.1%	9.9%	9.9%
Allegany County	5.3	5.5	6.4	8.9	9.4
New York State	4.6	4.5	5.3	8.4	8.6

Enrollment

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

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	580	575	573	581	568	570	570

District Employees

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

Number of Employees	Bargaining Unit	Contract Expiration Date
49	Arkport Faculty Association	June 30, 2012
11	Arkport Transportation	June 30, 2012
27	Arkport Staff United	June 30, 2012

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 November 1, 2011(1)

Full Valuation of Taxable Real Property	$157,112,436
Debt Limit (10% of Full Valuation)	15,711,244
Gross Indebtedness(2)	$7,440,000
Less: Exclusions – Estimated Building Aid(3)	6,580,491
Total Net Indebtedness	$859,509
Net Debt Contracting Margin	$14,851,735
Percentage of Debt Contracting Power Exhausted	5.47%

(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 $4,515,000 School District Bonds to the Authority in connection with the refunding of a portion of the $5,300,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.
(3) Represents estimate of moneys receivable by the District from the State as an apportionment for debt service for school building purposes.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2009 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness(1)	Exclusions(2)	Net Indebtedness	% Within District	Applicable Net Indebtedness
Counties of:					
Steuben	$29,468,400	$0	$29,468,400	2.79%	$822,168
Allegany	28,998,525	0	28,998,525	1.20	347,982
Towns of:					
Almond	98,500	0	98,500	19.97	19,670
Birdsall	0	0	0	11.68	0
Burns	0	0	0	8.51	0
Hornellsville	141,573	0	141,573	35.41	50,131
Dansville	0	0	0	39.37	0
Fremont	0	0	0	69.01	0
Village of:					
Arkport	1,886,000	0	1,886,000	100.00	1,886,000
				Total	$3,125,951

(1) Bonds and bond anticipation notes as of close of 2009 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 November 1, 2011.

Debt Ratios
As of November 1, 2011[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$7,440,000	$2,480	4.74%
Gross Indebtedness Plus Net Overlapping Indebtedness...........	10,565,951	3,522	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 3,000.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $157,112,436.
(4) The District expects to deliver $4,515,000 School District Bonds to the Authority in connection with the refunding of a portion of $5,300,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as it is already accounted for in the above calculations.

Cash Flow Borrowing

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

Capital Project Plans

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

FINANCIAL FACTORS

General Information

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

Arkport Central School District
http://emma.msrb.org/EA450359-EA349612-EA745562.pdf
Base CUSIP: 041285

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 Tax Collector by October 7th without penalty. Payments made from October 8th through November 6th carry a penalty of 2%. Unpaid taxes are returned to the County Treasurer after October 31st and are added to the following year's town/county tax bills with an additional penalty. The Counties reimburse the District for all unpaid taxes in April of the year following the year of levy, and the District is thus assured 100% tax collection of its annual levy.

Valuations, Rates and Tax Levy

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

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Almond	$12,231,206	$12,121,966	$12,243,229	$12,163,495	$12,208,968
Birdsall	2,710,795	2,705,598	2,968,565	2,924,220	3,065,181
Burns	2,705,046	2,753,910	2,818,119(1)	3,188,165(1)	3,378,323
Hornellsville	67,556,462(1)	75,990,959(1)	75,697,910	75,690,035	75,954,211
Dansville	25,912,333(1)	30,788,870(1)	30,953,273	31,481,421	31,894,172
Fremont	23,408,401	23,763,556(1)	27,438,960(1)	28,102,861	28,279,251
Total Assessed Valuation	$134,524,243	$148,124,859	$152,120,056	$153,550,197	$154,780,106

(1) Difference due to town wide revaluation.

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Almond	91.64%	94.21%	89.97%	88.00%	85.00%
Birdsall	100.00	100.00	100.00	100.00	100.00
Burns	100.00	100.00	90.00	100.00	95.00
Hornellsville	73.50	100.00	100.00	100.00	100.00
Dansville	100.00	100.00	100.00	100.00	100.00
Fremont	100.00	100.00	100.00	100.00	100.00
Taxable Full Valuation	$159,997,145	$148,869,856	$153,798,075	$155,208,855	$157,112,436

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$2,873,254	$2,965,315	$2,965,358	$3,026,080	$3,163,485
% Uncollected When Due(1)	17.28%	14.02%	13.23%	13.76%	18.95%(2)

(1) See "Real Estate Property Tax Collection Procedure."
(2) As of October 11, 2011.

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 three completed fiscal years and the budgeted figures for the 2010-2011 fiscal year and the current fiscal year.

State Aid and Revenues

Fiscal Year	Total State Aid[(1)]	Total Revenues[(1)]	Percentage of Total Revenues Consisting of State Aid[(1)]
2007-2008	$5,023,935	$8,329,502	60.31%
2008-2009	5,550,742	8,983,919	61.79
2009-2010	5,381,335	9,039,864	59.53
2010-2011 (Budgeted)	5,384,818	8,866,398	60.73
2011-2012 (Budgeted)	5,392,208	9,387,222	57.44

(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") since the 2007-2008 fiscal year and the budgeted payments for the 2010-2011 and 2011-2012 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$79,516	$272,817
2008-2009	74,624	288,059
2009-2010	61,260	268,969
2010-2011 (Budgeted)	122,534	346,686
2011-2012 (Budgeted)	145,095	436,046

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

GASB 45 and OPEB

The District contracted with Amato, Fox & Co., PC to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of July 1, 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 $3,214,238. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $3,214,238. For the fiscal year ending June 30, 2010, the District's beginning year Net OPEB obligation was $142,665. The District's annual OPEB expense was $267,536 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $128,000 to the Plan for the fiscal year ending June 30, 2010, resulting in a net increase to its unfunded OPEB obligation of $282,201, for a fiscal year ending June 30, 2010 total net unfunded OPEB obligation of $282,201. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2010 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 $787,979 in its General Fund for the fiscal year ended June 30, 2010, resulting in an unreserved undesignated General Fund balance of $204,846 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*."

Principal and Interest Requirements

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

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$465,746	$326,630	$792,376
2012-2013	465,746	321,281	787,027
2013-2014	464,781	328,181	792,962
2014-2015	463,075	324,881	787,956
2015-2016	469,731	321,581	791,312
2016-2017	34,744	322,869	357,613
2017-2018	33,431	328,619	362,050
2018-2019	32,081	323,669	355,750
2019-2020	15,694	323,044	338,738
2020-2021	–	326,800	326,800
2021-2022	–	324,975	324,975
2022-2023	–	327,575	327,575
2023-2024	–	324,438	324,438
2024-2025	–	325,838	325,838
2025-2026	–	326,500	326,500
2026-2027	–	166,395	166,395
2027-2028	–	167,655	167,655
2028-2029	–	168,335	168,335
2029-2030	–	168,775	168,775
2030-2031	–	168,975	168,975
2031-2032	–	168,935	168,935
2032-2033	–	168,655	168,655
2033-2034	–	168,020	168,020
2034-2035	–	167,140	167,140
2035-2036	–	171,015	171,015
2036-2037	–	169,400	169,400
2037-2038	–	167,540	167,540
2038-2039	–	170,435	170,435
2039-2040	–	167,840	167,840

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APPENDIX C-2
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF BINGHAMTON

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

GENERAL INFORMATION

Description

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

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

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

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

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

Population

The current estimated population of the District is 47,376.

Five Largest Employers

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

Five Largest Taxpayers

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

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

Unemployment Rate Statistics

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

Year Average

	2006	2007	2008	2009	2010
Broome County	4.7%	4.5%	5.6%	8.3%	8.8%
New York State	4.6	4.5	5.3	8.4	8.6

Enrollment

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

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

District Employees

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

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

(1) Currently under negotiations.

DISTRICT INDEBTEDNESS

Debt Limit

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

Net Debt Contracting Margin
As of November 1, 2011[(1)]

	Based on Conventional Equalization Rates	Based on Special Equalization Rates
Five Year Average Full Valuation of Taxable Real Property	$1,570,492,967	$1,687,583,645
Debt Limit (5% of full valuation)[(2)]	78,524,648	84,379,182
Outstanding Indebtedness[(3)]		
Inclusions		
Bonds	$14,766,386	$14,766,386
Bond Anticipation Notes	43,410,000	43,410,000
Total Inclusions	$58,176,386	$58,176,386
Exclusions		
Bonds Previously Refunded	$0	$0
Appropriations	911,386	911,386
Total Exclusions	$911,386	$911,386
Total Net Indebtedness	$57,265,000	$57,265,000
Net Debt Contracting Margin	$21,259,648	$27,114,182
Percentage of Debt Contracting Power Exhausted	72.93%	67.87%

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

(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. Special State equalization ratios for the District are currently only available through the District's fiscal year ending June 30, 2011. Calculation of the five year average full valuation of taxable real property based on special equalization ratios is therefore based on the full valuations of taxable real property from fiscal years ending June 30, 2007 through 2011. The five year average full valuation of taxable real property based on conventional equalization rates is based on full valuations of taxable real property from fiscal years ending June 30, 2008 through 2012.

(3) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the constitutional debt limit of the District. The District expects to deliver $11,055,000 School District Bonds to the Authority in connection with the refunding of $12,350,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

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 2009 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
County of:					
Broome	$190,898,594	$41,277,496	$149,621,098	16.57%	$24,792,216
City of:					
Binghamton	123,328,576	53,531,915	69,796,661	100.00	69,796,661
Town of:					
Dickinson	1,794,500	63,000	1,731,500	18.96	328,292
				Total	$94,917,169

(1) Bonds and bond anticipation notes as of close of 2009 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 November 1, 2011.

Debt Ratios
As of November 1, 2011[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$58,176,386	$1,227.97	3.16%
Gross Indebtedness Plus Net Overlapping Indebtedness...........	153,093,555	3,231.46	8.31

(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 47,376.
(3) Based on the District's full value of taxable real estate using the special State equalization ratios for 2010-11 of $1,842,347,673.
(4) The District expects to deliver $11,055,000 School District Bonds to the Authority in connection with the refunding of $12,350,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as it is already accounted for in the above calculations.

Cash Flow Borrowing

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

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

Capital Project Plans

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

FINANCIAL FACTORS

General Information

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

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

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

Real Estate Property Tax Collection Procedure

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

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

Valuations, Rates and Tax Levy

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

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

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

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
City of:					
Binghamton	87.90%	83.60%	77.00%	80.00%	78.00%
Town of:					
Dickinson	81.00	70.00	67.00	67.00	65.00
Taxable Full Valuation	$1,443,089,081	$1,523,046,184	$1,640,349,313	$1,599,251,483	$1,646,728,775

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

	2007	2008	2009	2010	2011	2012
City of:						
Binghamton	81.11%	75.40%	78.44%	73.67%	69.56%	N/A
Town of:						
Dickinson	67.27	64.61	64.74	59.59	54.91	N/A
Taxable Full Valuation	$1,568,219,500	$1,685,485,140	$1,623,893,740	$1,717,972,171	$1,842,347,673	N/A

(1) Represents the most recent special State equalization ratios available from the New York State Office of Real Property Services. The District's constitutional debt limit is computed by taking 5% of the five year average full valuation. Such five year average full valuation is calculated using the most recent special State equalization ratios as established by the New York State Office of Real Property Services pursuant to Art.-12-B of the Real Property Tax Law. The special State equalization ratios for the District are currently only available through the year ending June 30, 2011.

Total District Property Tax Collections
Years Ending June 30,

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

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

State Aid

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

State Aid and Revenues

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

[1] General Fund only.

Pension Payments

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

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

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

GASB 45 and OPEB

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

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

Recent Operating Results

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

Principal and Interest Requirements

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

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

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$2,765,601	$ –	$2,765,601
2012-2013	2,770,704	1,167,799	3,938,503
2013-2014	2,781,184	1,171,200	3,952,384
2014-2015	2,786,760	1,168,900	3,955,660
2015-2016	7,781,604	1,166,875	8,948,479
2016-2017	2,179,088	1,169,625	3,348,713
2017-2018	2,177,315	1,170,375	3,347,690
2018-2019	–	1,169,125	1,169,125
2019-2020	–	1,170,750	1,170,750
2020-2021	–	1,170,125	1,170,125
2021-2022	–	1,167,250	1,167,250
2022-2023	–	1,167,000	1,167,000
2023-2024	–	1,169,125	1,169,125
2024-2025	–	1,168,500	1,168,500

(1) Schedule does not include remaining payments of $416,386 due under an energy performance contract.

APPENDIX C-3
DESCRIPTION OF
CATSKILL CENTRAL SCHOOL DISTRICT

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

GENERAL INFORMATION

Description

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

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

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

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

Population

The current estimated population of the District is 12,855.

Five Largest Employers

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

Five Largest Taxpayers

Name	Type	Full Valuation
Central Hudson Gas & Electric Corporation	Utility	$19,900,656
Glens Falls Lehigh Cement	Manufacturer	18,578,800
Niagara Mohawk Power Corp (National Grid)	Utility	18,068,307
Catskill Realty Assoc. Ltd.	Reality	15,320,600
Holcim (US) Inc.	Manufacturer	11,686,600

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 17.6% 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 Greene County.

Year Average

	2006	2007	2008	2009	2010
Greene County	4.8%	4.8%	5.9%	8.5%	8.6%
New York State	4.6	4.5	5.3	8.4	8.6

Enrollment

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

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

District Employees

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

Number of Employees	Bargaining Unit	Contract Expiration Date
166	Catskill Teachers' Association	June 30, 2012
143	Catskill School Unit Civil Service Employees' Association	June 30, 2012
7	Catskill Administrators' Association	June 30, 2012

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 November 1, 2011[1]

Full Valuation of Taxable Real Property	$1,071,780,050
Debt Limit (10% of Full Valuation)	107,178,005
Gross Indebtedness[2]	$44,294,881
Less: Exclusions – Estimated Building Aid[3]	0
Total Net Indebtedness	$44,294,881
Net Debt Contracting Margin	$62,883,124
Percentage of Debt Contracting Power Exhausted	41.33%

(1) The District has not incurred any indebtedness since the date of this table.
(2) Tax Anticipation Notes and Revenue Anticipation Notes are not included in the computation of the statutory debt limit of the District. The District expects to deliver $13,495,000 School District Bonds to the Authority in connection with the refunding of $15,179,881 of the District's outstanding bond anticipation notes and financing of the District's capital construction project. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the percentage of debt contracting power exhausted accordingly.
(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2009 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
County of:					
Greene	$26,969,118	$0	$26,969,118	18.22%	$4,913,773
Towns of:					
Catskill	1,049,985	226,628	823,357	98.85	813,888
Athens	0	0	0	27.05	0
Cairo	4,816,618	1,519,418	3,297,200	0.02	659
Villages of:					
Catskill	0	0	0	100.00	0
Athens	3,537,377	2,329,546	1,207,831	100.00	1,207,831
				Total	$6,936,151

(1) Bonds and bond anticipation notes as of close of 2009 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 November 1, 2011.

Debt Ratios
As of November 1, 2011[(1)]

	Amount	Per Capita[(2)]	Percentage of Full Value[(3)]
Gross Indebtedness[(4)]	$44,294,881	$3,445.73	4.13%
Gross Indebtedness Plus Net Overlapping Indebtedness	51,231,032	3,985.30	4.78

(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 12,855.
(3) Based on the District's full value of taxable real estate using the State equalization rate for 2011-2012 $1,071,780,050.
(4) The District expects to deliver $13,495,000 School District Bonds to the Authority in connection with the refunding of $15,179,881 of the District's outstanding bond anticipation notes and financing of the District's capital construction project. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Capital Project Plans

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

On March 13, 2007, the voters approved a second $16,715,000 capital project consisting of construction of additions to and reconstruction of various District buildings. Phase I was completed. Phase II began in June 2008 and was completed by February 2009. Phase III began in September 2008 and was completed by December 2009. The anticipated project amount is $16,715,000 and will be partially funded by EXCEL aid. The 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 (the "2009 Notes"), 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 mature on December 29, 2011. The proceeds of the School District Bonds will permanently finance 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.

Catskill Central School District
http://emma.msrb.org/EA445050-EA345383-EA741272.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

School taxes are collected from September 3rd through November 3rd. If paid by October 4th, no penalty is imposed. There is a 2% penalty if paid by November 3rd. On November 15th, a list of all unpaid taxes will be given to the County for relevy on County/Town tax rolls. The District will be reimbursed by the County for all unpaid taxes before the end of the District's fiscal year and is thus assured of 100% tax collection annually.

Valuations, Rates and Tax Levy

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

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Catskill	$571,948,882	$572,892,059	$575,538,185	$575,443,632	$569,304,427
Athens	86,961,184	80,807,512	80,537,624	80,982,968	80,325,902
Cairo	106,200	106,200	106,200	106,200	106,200
Total Assessed Valuation	$659,016,266	$653,805,771	$656,182,009	$656,532,800	$649,736,529

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Catskill	62.47%	58.00%	58.00%	59.80%	60.30%
Athens	65.25	60.00	58.50	60.25	63.00
Cairo	60.50	57.05	59.50	63.25	67.00
Taxable Full Valuation	$1,049,007,061	$1,122,610,268	$1,130,156,855	$1,096,859,791	$1,071,780,050

Total District Property Tax Collections
Years Ending June 30,

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

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

State Aid

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

State Aid and Revenues

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

(1) General Fund only.

Pension Payments

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

Fiscal Year	ERS	TRS
2007-2008	$224,067	$999,729
2008-2009	150,049	997,144
2009-2010	190,288	723,196
2010-2011	283,836	923,393
2011-2012 (Budgeted)	406,364	1,425,158

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

GASB 45 and OPEB

The District contracted with Questar III BOCES to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of July 1, 2010, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $26,950,749. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $26,950,749. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $4,245,197. The District's annual OPEB expense was $2,939,959 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $661,836 to the Plan for the fiscal year ending June 30, 2011 to 392 employees, resulting in a net increase to its unfunded OPEB obligation of $2,278,123, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of $6,523,320. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

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

Recent Operating Results

The District's revenues exceeded its expenditures by $1,529,081 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unassigned General Fund balance of $2,423,834 and a total General Fund balance of $8,599,108 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. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *State Aid*."

Principal and Interest Requirements

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

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

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$2,878,553	$ –	$2,878,553
2012-2013	2,879,121	1,355,806	4,234,927
2013-2014	2,877,178	1,355,848	4,233,026
2014-2015	2,876,021	1,352,448	4,228,469
2015-2016	2,877,433	1,355,448	4,232,881
2016-2017	2,880,150	1,352,048	4,232,198
2017-2018	2,877,768	1,352,448	4,230,216
2018-2019	2,870,021	1,356,448	4,226,469
2019-2020	2,870,505	1,353,848	4,224,353
2020-2021	2,871,643	1,355,098	4,226,741
2021-2022	2,865,232	1,353,848	4,219,080
2022-2023	1,256,420	1,355,098	2,611,518
2023-2024	1,257,900	1,233,598	2,491,498
2024-2025	1,257,200	495,348	1,752,548
2025-2026	1,257,300	454,578	1,711,878
2026-2027	1,356,050	454,313	1,810,363
2027-2028	1,259,400	451,738	1,711,138
2028-2029	1,257,000	453,450	1,710,450
2029-2030	1,260,000	224,213	1,484,213
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.

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APPENDIX C-4
DESCRIPTION OF
EAST IRONDEQUOIT CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-4 a brief description of the East Irondequoit 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 10 square miles in the Town of Irondequoit, Monroe County, and is contiguous with the City of Rochester. The Town of Irondequoit is primarily a residential area.

Utilities are provided by Rochester Gas & Electric Corporation. Police protection is provided by the Town of Irondequoit, supplemented by the Monroe County Sheriff's Department and the New York State Police.

The District provides public education for grades K-12. Opportunities for higher education are provided by Rochester Institute of Technology, University of Rochester, St. John Fisher College, Nazareth College and Monroe Community College, all within a ten-mile radius of the District.

The District is served by Routes 390, 490 and 590, all of which feed on to and off of the New York State Thruway system. Rail service is provided by Amtrak, Conrail and the Chessie System. Bus service is provided by Greyhound Bus Lines Company, National School Bus, Blue Bird Coach Lines, Trailways and the Rochester-Genesee Regional Transportation Authority. Air transportation is available at the Greater Rochester International Airport.

District residents find commercial and financial services, as well as recreational and cultural facilities, in the Rochester area.

Population

The current estimated population of the District is 33,000.

Five Largest Employers

Name	Type	Employees
East Irondequoit Central School District	Public Education	669
Wegmans Enterprises	Retail/Grocery Store	365
Town of Irondequoit	Local Government	338
Macy's	Department Store	250
Sears Roebuck & Co.	Department Store	170

Five Largest Taxpayers

Name	Type	Full Valuation
Rochester Gas & Electric Corporation	Utility	$26,448,941
DDR Culver Ridge LLC	Shopping Center	13,770,000
Woodridge Apartments	Apartment Complex	9,590,000
Hidden Creek Associates LP	Apartment Complex	7,540,000
Newport Highlands Associates	Apartment Complex	6,850,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 6.87% 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

	2006	2007	2008	2009	2010
Monroe County	4.5%	4.5%	5.4%	8.0%	8.0%
New York State	4.6	4.5	5.3	8.4	8.6

Enrollment

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

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	3,330	3,276	3,159	3,085	3,107	3,063	3,019

District Employees

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

Number of Employees	Bargaining Unit	Contract Expiration Date
315	East Irondequoit Teachers' Association	June 30, 2013
109	East Irondequoit Clerical Organization	June 30, 2013
43	East Irondequoit Custodial-Maintenance Organization	June 30, 2012
29	East Irondequoit Cafeteria Association	June 30, 2012
19	East Irondequoit Association of Administrators	June 30, 2014
27	Association of East Irondequoit Support Staff	June 30, 2013
10	Association of East Irondequoit School Nurses	June 30, 2012
8	East Irondequoit Management Association	June 30, 2014
78	East Irondequoit Transportation Employees Association	June 30, 2013

DISTRICT INDEBTEDNESS

Debt Limit

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

Net Debt Contracting Margin
As of November 1, 2011[(1)]

Full Valuation of Taxable Real Property	$1,319,941,657
Debt Limit (10% of Full Valuation)	131,994,165
Gross Indebtedness[(2)]	$92,616,622
Less: Exclusions – Estimated Building Aid[(3)]	55,162,082
Total Net Indebtedness	$37,454,540
Net Debt Contracting Margin	$94,539,625
Percentage of Debt Contracting Power Exhausted	28.38%

(1) The District is in the process of completing an advance refunding. The estimated dollar amount has been included in the "Gross Indebtedness" figure.
(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 $12,300,000 School District Bonds to the Authority in connection with the financing of the District's capital construction project. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the percentage of debt contracting power exhausted accordingly.
(3) 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 2009 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[(1)]	Exclusions[(2)]	Net Indebtedness	% Within District	Applicable Net Indebtedness
County of:					
Monroe	$767,200,527	$0	$767,200,527	3.50%	$26,852,018
Town of:					
Irondequoit	29,572,483	0	29,572,483	51.93	15,356,990
				Total	$42,209,008

(1) Bonds and bond anticipation notes as of close of 2009 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 November 1, 2011.

Debt Ratios
As of November 1, 2011[(1)]

	Amount	Per Capita[(2)]	Percentage of Full Value[(3)]
Gross Indebtedness[(4)]	$92,616,622	$2,806.56	7.02%
Gross Indebtedness Plus Net Overlapping Indebtedness	134,825,630	4,085.63	10.21

(1) The District is in the process of completing an advance refunding. The estimated dollar amount has been included in the "Gross Indebtedness" figure.
(2) Based on the District's current estimated population of 33,000.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $1,319,941,657.
(4) The District expects to deliver $12,300,000 School District Bonds to the Authority in connection with the financing of the District's capital construction project. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the debt ratios accordingly.

Cash Flow Borrowing

The 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.

East Irondequoit Central School District
http://emma.msrb.org/ER437910-ER340823-ER736903.pdf
Base CUSIP: 273155

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. On November 1st, 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 table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Town of:					
Irondequoit	$1,139,237,102[1]	$1,362,802,835[1]	$1,351,337,839	$1,340,248,064	$1,319,941,657
Total Assessed Valuation	$1,139,237,102	$1,362,802,835	$1,351,337,839	$1,340,248,064	$1,319,941,657

[1] Difference due to town wide revaluation.

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Town of:					
Irondequoit	88.00%	100.00%	100.00%	100.00%	100.00%
Taxable Full Valuation	$1,294,587,616	$1,362,802,835	$1,351,337,839	$1,340,248,064	$1,319,941,657

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$33,463,047	$35,354,491	$35,052,895	$35,801,185	$36,247,058
% Uncollected When Due[1]	4.63%	4.11%	3.85%	4.53%	12.41%[2]

[1] See "Real Estate Property Tax Collection Procedure."
[2] As of November 1, 2011.

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 three completed fiscal years and the budgeted figures for the 2010-2011 fiscal year and the current fiscal year.

State Aid and Revenues

Fiscal Year	Total State Aid[(1)]	Total Revenues[(1)]	Percentage of Total Revenues Consisting of State Aid[(1)]
2007-2008	$19,984,659	$60,284,341	33.15%
2008-2009	24,098,088	64,108,598	37.59
2009-2010	21,935,190	64,377,383	34.07
2010-2011 (Budgeted)	21,744,308	63,174,828	34.42
2011-2012 (Budgeted)	24,948,789	68,439,004	36.45

(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") since the 2007-2008 fiscal year and the budgeted payments for the 2010-2011 and the 2011-2012 fiscal years are as follows:

Fiscal Year	ERS	TRS
2007-2008	$376,709	$1,603,869
2008-2009	372,878	1,509,669
2009-2010	458,804	1,326,874
2010-2011 (Budgeted)	1,044,858	2,070,311
2011-2012 (Budgeted)	1,373,919	2,698,565

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, 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 $71,097,116. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $71,097,116. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $6,755,720. The District's annual OPEB expense was $5,579,537 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $1,840,703 to the Plan for the fiscal year ending June 30, 2011 to 1,022 employees, resulting in a net increase to its unfunded OPEB obligation of $3,738,834, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of $71,097,116. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

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

Recent Operating Results

The District's revenues exceeded its expenditures by $5,080,507 in its General Fund for the fiscal year ended June 30, 2010, resulting in an unreserved undesignated General Fund balance of $2,547,642 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*."

Principal and Interest Requirements

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

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

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$4,276,270	$704,269	$4,980,539
2012-2013	4,177,523	755,658	4,933,181
2013-2014	4,207,178	755,858	4,963,036
2014-2015	4,204,403	755,958	4,960,361
2015-2016	3,260,997	755,958	4,016,955
2016-2017	3,267,450	758,158	4,025,608
2017-2018	2,800,023	757,358	3,557,381
2018-2019	2,788,890	758,958	3,547,848
2019-2020	2,786,815	760,258	3,547,073
2020-2021	2,781,418	760,258	3,541,676
2021-2022	2,783,424	759,626	3,543,050
2022-2023	2,556,091	758,251	3,314,342
2023-2024	2,348,548	755,856	3,104,404
2024-2025	2,149,502	757,488	2,906,990
2025-2026	2,154,300	758,088	2,912,388
2026-2027	2,142,375	757,525	2,899,900
2027-2028	548,550	759,488	1,308,038
2028-2029	–	755,525	755,525
2029-2030	–	755,869	755,869
2030-2031	–	760,288	760,288
2031-2032	–	758,550	758,550
2032-2033	–	755,888	755,888
2033-2034	–	757,300	757,300
2034-2035	–	756,888	756,888
2035-2036	–	755,288	755,288
2036-2037	–	757,500	757,500
2037-2038	–	758,288	758,288
2038-2039	–	757,650	757,650
2039-2040	–	755,588	755,588
2040-2041	–	377,100	377,100

(1) Schedule does not include remaining payments of $2,206,622 due under an energy performance contract.

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APPENDIX C-5
DESCRIPTION OF
MALONE CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-5 a brief description of the Malone 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 Franklin County in northern New York State. The District is adjacent to the Canadian border and contains all, or a portion of, nine townships as well as the Village of Malone - the County Seat. The District encompasses approximately 384 square miles.

Montreal is located 65 miles to the northeast, the City of Plattsburgh 55 miles to the southeast and the Village of Massena is 40 miles to the northwest. Highways serving the District include U. S. Route #11 and New York State Routes #30 and #37.

The District is primarily farming and residential in nature with some industry located in and around the Village of Malone. The Village of Malone also affords the residents all of the usual retail and professional services.

The District has branches of four banking institutions. Fire protection is supplied by various volunteer groups and police protection is furnished by local and state agencies. Gas and electricity is furnished by National Grid and New York State Electric and Gas Company.

Population

The current estimated population of the District is 19,888.

Five Largest Employers

Name	Type	Employees
New York State Deptartment of Corrections	Prison	1,700
Malone Central School District	School	952
New York State Office of Mental Retardation	Healthcare	932
Adirondack Medical Center	Healthcare	880
Akwesasne Casino	Casino	854

Five Largest Taxpayers

Name	Type	Full Valuation
State of New York	Government	$39,917,615
National Grid	Utility	18,011,751
Wal-Mart Real Estate	Commercial	12,000,000
WP Malone Windsor Land LLC	Commercial	6,200,000
The Oxford Fund/Burke	Commercial	6,000,000

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 13.4% 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 Franklin County.

Year Average

	2006	2007	2008	2009	2010
Franklin County	5.6%	5.6%	6.9%	8.7%	9.0%
New York State	4.6	4.5	5.3	8.4	8.6

Enrollment

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

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	2,445	2,416	2,437	2,424	2,420	2,420	2,420

District Employees

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

Number of Employees	Bargaining Unit	Contract Expiration Date
208	Civil Service Employees' Association	June 30, 2010[1]
242	New York State United Teachers	June 30, 2013
11	Malone 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 November 1, 2011[1]

Full Valuation of Taxable Real Property	$766,952,218
Debt Limit (10% of Full Valuation)	76,695,222
Gross Indebtedness[2]	$48,651,967
Less: Exclusions – Estimated Building Aid[3]	0
Total Net Indebtedness	$48,651,967
Net Debt Contracting Margin	$28,043,255
Percentage of Debt Contracting Power Exhausted	63.44%

(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 $2,275,000 School District Bonds to the Authority in connection with the refunding of a portion of $20,000,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

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

Note: The District anticipates issuing $15,170,555 Qualified Zone Academy Bonds on November 15, 2011 to permanently finance a portion of $20,000,000 bond anticipation notes outstanding and maturing November 30, 2011. Proceeds of the DASNY bond issuance and available funds will permanently finance a portion of the remaining amount.

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 2009 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
Counties of:					
Franklin	$7,955,000	$5,500,000	$2,455,000	17.30%	$424,715
Towns of:					
Malone	223,500	223,500	0	100.00	0
Bangor	3,468,615	3,468,615	0	46.79	0
Burke	0	0	0	57.03	0
Constable	0	0	0	100.00	0
Bellmont	117,080	117,080	0	55.16	0
Westville	0	0	0	43.47	0
Brandon	0	0	0	32.04	0
Duane	0	0	0	100.00	0
Franklin	0	0	0	0.52	0
Village of:					
Malone	4,346,765	4,346,765	0	100.00	0
				Total	$424,715

(1) Bonds and bond anticipation notes as of close of 2009 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 November 1, 2011.

Debt Ratios
As of November 1, 2011[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$48,651,967	$2,446.30	6.34%
Gross Indebtedness Plus Net Overlapping Indebtedness	49,076,682	2,467.65	6.40

(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 19,888.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $766,952,218.
(4) The District expects to deliver $2,275,000 School District Bonds to the Authority in connection with the refunding of a portion of $20,000,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as it is already accounted for in the above calculations.

Cash Flow Borrowing

The District has not issued Revenue Anticipation Notes or Tax Anticipation Notes for the last 10 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.

Malone Central School District
http://emma.msrb.org/ER434984-ER338440-ER734405.pdf
Base CUSIP: 561319

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 3% penalty is charged for the next 31 days and a 4% penalty is charged from November 1st to November 4th. On November 8th, uncollected taxes are returnable to Franklin County for collection. The District receives this amount from said County prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by the County.

Valuations, Rates and Tax Levy

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

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Malone	$360,691,168	$368,467,362	$370,663,373	$375,303,465	$383,947,377
Bangor	28,911,802	29,009,629	29,190,007	29,566,281	34,454,054
Burke	22,778,812	22,900,765	23,057,308	23,401,579	23,653,689
Constable	5,774,094	5,892,523	6,038,410	6,113,457	6,174,754
Bellmont	62,485,060	60,943,002	92,780,310	93,021,487	93,634,198
Westville	20,815,064	21,339,236	21,637,193	21,802,497	21,946,514
Brandon	8,020,629	8,106,097	8,036,298	8,236,754	8,269,858
Duane	52,902,205	52,173,199	50,986,652	50,137,944	50,875,630
Franklin	897,298	710,587	823,590	776,051	1,631,201
Total Assessed Valuation	$563,276,132	$569,542,040	$603,213,771	$608,359,515	$625,587,275

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Malone	89.14%	87.00%	80.23%	86.73%	85.25%
Bangor	91.10	91.20	85.12	84.57	100.00
Burke	76.77	69.11	67.97	67.30	66.36
Constable	12.44	11.48	11.48	11.26	11.26
Bellmont	79.24	77.55	100.00	100.00	100.00
Westville	92.81	89.22	88.00	87.00	79.72
Brandon	100.00	100.00	96.00	90.09	92.00
Duane	91.07	90.00	85.00	85.00	85.00
Franklin	65.00	60.00	58.00	55.01	100.00
Taxable Full Valuation	$681,231,611	$709,563,401	$769,939,349	$744,373,766	$766,952,218

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$8,510,958	$8,708,876	$8,838,642	$8,990,317	$9,522,718
% Uncollected When Due[1]	21.8%	19.7%	21.0%	23.0%	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

Fiscal Year	Total State Aid[1]	Total Revenues[1]	Percentage of Total Revenues Consisting of State Aid[1]
2007-2008	$26,353,373	$38,758,928	67.99%
2008-2009	28,227,427	41,186,649	68.54
2009-2010	27,127,226	40,885,429	66.35
2010-2011	26,606,386	39,587,349	67.21
2011-2012 (Budgeted)	26,988,152	40,137,552	67.24

[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") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 fiscal year are as follows:

Fiscal Year	ERS	TRS
2007-2008	$308,996	$1,363,478
2008-2009	277,388	1,411,993
2009-2010	271,525	1,270,245
2010-2011	439,847	1,454,264
2011-2012 (Budgeted)	711,969	1,527,680

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

GASB 45 and OPEB

The District contracted with Armory Associates, LLC to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2011, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $61,009,011. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $61,009,011. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $9,635,354. The District's annual OPEB expense was $6,348,866 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $1,581,649 to the Plan for the fiscal year ending June 30, 2011 to 705 employees, resulting in a net increase to its unfunded OPEB obligation of $4,767,217, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of $14,402,571. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

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

Recent Operating Results

The District's expenditures exceeded its revenues by $1,243,837 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $3,015,017 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*."

Principal and Interest Requirements

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

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$3,242,195	$203,332	$3,445,527
2012-2013	3,142,559	201,294	3,343,853
2013-2014	3,062,861	202,294	3,265,155
2014-2015	2,953,169	203,094	3,156,263
2015-2016	2,940,175	202,594	3,142,769
2016-2017	2,948,400	201,844	3,150,244
2017-2018	–	205,844	205,844
2018-2019	–	204,344	204,344
2019-2020	–	202,594	202,594
2020-2021	–	205,594	205,594
2021-2022	–	203,094	203,094
2022-2023	–	205,344	205,344
2023-2024	–	202,094	202,094
2024-2025	–	203,594	203,594
2025-2026	–	201,394	201,394
2026-2027	–	203,531	203,531

APPENDIX C-6
DESCRIPTION OF
MORIAH CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-6 a brief description of the Moriah 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 a land area of approximately 120 square miles. It is located in upstate New York in the middle of Essex County in the Adirondack State Park.

The District is 45 miles south of Plattsburgh, 25 miles southwest of Burlington, Vermont and 28 miles southeast of Lake Placid (home of the 1980 Olympics).

Serving the District are the New York State Northway (I #87), which runs from New York City to Montreal, New York State Routes #9N and #22, and County Roads #4, #7 and #42.

Gas and electric services are provided to the residents of the District by National Grid. Water services are available to residents in most areas by municipalities located in the District. The District has its own co-generator on site.

The District is primarily residential in nature.

Population

The current estimated population of the District is 4,721.

Five Largest Employers

Name	Type	Employees
Olympic Regional Development Authority	Industrial	888
Conservation Department	Government	867
International Paper	Paper Products	704
Essex County	Government	658
Mountain Lake Services	Government	554

Five Largest Taxpayers

Name	Type	Full Valuation
National Grid	Utility	$4,317,931
Lyme Adirondack Timberlands II	Forest Land	4,294,566
State of New York	Forest Land	4,059,100
Rhodia Rare Earths Inc.	Mining	1,737,200
State of New York	Conservation Easements	1,291,030

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 10.13% 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 Essex County.

Year Average

	2006	2007	2008	2009	2010
Essex County	5.7%	5.7%	6.6%	9.3%	9.3%
New York State	4.6	4.5	5.3	8.4	8.6

Enrollment

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

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	782	767	754	788	800	800	800

District Employees

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

Number of Employees	Bargaining Unit	Contract Expiration Date
95	Moriah Central School Teachers' Association	June 30, 2013
37	Civil Service Employees' Association – Non-Instructional	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 November 1, 2011[1]

Full Valuation of Taxable Real Property	$208,877,247
Debt Limit (10% of Full Valuation)	20,887,725
Gross Indebtedness[2]	$22,159,448
Less: Exclusions – Estimated Building Aid[3]	13,817,889
Total Net Indebtedness	$8,341,559
Net Debt Contracting Margin	$12,546,166
Percentage of Debt Contracting Power Exhausted	39.94%

(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 $8,140,000 School District Bonds to the Authority in connection with the refunding of $8,830,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.
(3) Represents estimate of moneys receivable by the District from the State as an apportionment for debt service for school building purposes.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2009 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
County of:					
Essex	$48,207,000	$48,207,000	$0	3.17%	$0
Towns of:					
Crown Point	1,616,707	877,800	738,907	0.85	6,281
Moriah	9,290,606	5,984,361	3,306,245	96.30	3,183,914
Westport	4,606,010	4,606,010	0	0.20	0
Village of:					
Port Henry	3,488,370	3,488,370	0	100.00	0
				Total	$3,190,195

(1) Bonds and bond anticipation notes as of close of 2009 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 November 1, 2011.

Debt Ratios
As of November 1, 2011[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$22,159,448	$4,693.80	10.61%
Gross Indebtedness Plus Net Overlapping Indebtedness	25,349,643	5,369.55	12.14

(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 4,721.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $208,877,247.
(4) The District expects to deliver $8,140,000 School District Bonds to the Authority in connection with the refunding of $8,830,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as it is already accounted for in the above calculations.

Cash Flow Borrowing

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

Fiscal Year	Amount	Type	Issue Date	Due Date
2010-2011	$995,000	RAN	6/22/10	6/22/11
2011-2012	995,000	RAN	6/21/11	9/30/11
2011-2012	945,000	RAN	10/14/11	10/12/12

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.

Moriah Central School District
http://emma.msrb.org/ER435847-ER339188-ER735172.pdf
Base CUSIP: 617617

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

Real Estate Property Tax Collection Procedure

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

Valuations, Rates and Tax Levy

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

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Crown Point	$879,710	$1,056,135	$1,171,290	$1,198,420	$1,198,420
Moriah	177,523,968	185,978,253	205,936,600	206,274,863	207,254,286
Westport	288,586	448,100	468,610	438,586	424,541
Total Assessed Valuation	$178,692,264	$187,482,488	$207,576,500	$207,911,869	$208,877,247

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Crown Point	85.35%	92.15%	100.00%	100.00%	100.00%
Moriah	92.28	89.32	100.00	100.00	100.00
Westport	100.00	100.00	100.00	100.00	100.00
Taxable Full Valuation	$193,694,639	$209,809,893	$207,576,500	$207,911,869	$208,877,247

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$2,259,336	$3,482,452	$3,554,952	$3,554,952	$3,622,121
% Uncollected When Due[1]	13.08%	8.37%	9.14%	9.72%	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

Fiscal Year	Total State Aid[1]	Total Revenues[1]	Percentage of Total Revenues Consisting of State Aid[1]
2007-2008	$8,957,153	$12,716,376	70.44%
2008-2009	9,456,039	13,551,927	69.78
2009-2010	9,461,271	14,231,346	66.48
2010-2011	10,418,171	13,529,944	77.00
2011-2012 (Budgeted)	9,450,139	13,856,410	68.20

(1) General Fund only.

Pension Payments

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

Fiscal Year	ERS	TRS
2007-2008	$96,308	$442,554
2008-2009	97,141	466,409
2009-2010	96,338	427,470
2010-2011	142,139	452,927
2011-2012 (Budgeted)	180,839	527,494

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

GASB 45 and OPEB

The District contracted with Armory Associates, LLC to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of June 30, 2011, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $34,174,614. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $34,174,614. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $5,008,909. The District's annual OPEB expense was $3,468,849 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $999,263 to the Plan for the fiscal year ending June 30, 2011 to 242 employees, resulting in a net increase to its unfunded OPEB obligation of $2,469,586, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of $7,478,495. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

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

Recent Operating Results

The District's revenues exceeded its expenditures by $850,836 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $2,671,368 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*."

Principal and Interest Requirements

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

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

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$831,100	$ –	$ 831,100
2012-2013	828,575	859,174	1,687,749
2013-2014	830,287	859,200	1,689,487
2014-2015	831,050	859,200	1,690,250
2015-2016	829,550	860,625	1,690,175
2016-2017	836,950	863,125	1,700,075
2017-2018	838,050	859,250	1,697,300
2018-2019	837,950	859,000	1,696,950
2019-2020	190,100	862,125	1,052,225
2020-2021	193,300	863,500	1,056,800
2021-2022	191,200	863,125	1,054,325
2022-2023	193,800	861,000	1,054,800
2023-2024	–	862,000	862,000
2024-2025	–	861,000	861,000

(1) Schedule does not include remaining payments of $2,492,270 due under an energy performance contract.

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APPENDIX C-7
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF NEWBURGH

There follows in this Appendix C-7 a brief description of the City School District of the City of Newburgh (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 44 square miles is located in northeastern Orange County on the west bank of the Hudson River, approximately 60 miles north of New York City. The District consists of the entire City of Newburgh, major portions of the Towns of Newburgh and New Windsor, and a few homes in the Town of Cornwall. While the District encompasses the entire City of Newburgh over 75% of the District consists of properties in the Towns surrounding the City.

The District operates one pre-kindergarten school throughout the district, nine elementary schools, two middle schools and two senior high schools.

Population

The current estimated population of the District is 65,923.

Five Largest Employers

Name	Type	Employees
105th Airlift Wing	Military Operation	1,500
St. Luke's Hospital	Health Care	1,400
C & S Wholesale Grocers, Inc.	Food Distribution	850
AHRC	Disability Services	750
Mount Saint Mary College	Education	500

Five Largest Taxpayers

Name	Type	Full Valuation
Central Hudson	Utility	$96,533,540
Newburgh Mall, LLC	Shopping Center	39,887,600
Northeast Business Center	Distribution	30,561,800
Mid Valley Redux LLC	Shopping Center	30,039,343
Newburgh Plaza, LLC	Shopping Center	23,780,100

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 7.19% of the tax base of the District.

Unemployment Rate Statistics

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

Year Average

	2006	2007	2008	2009	2010
Orange County	4.3%	4.4%	5.4%	8.0%	8.3%
New York State	4.6	4.5	5.3	8.4	8.6

Enrollment

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

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	12,366	12,649	12,868	12,306	11,990	11,900	11,900

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.

Number of Employees	Bargaining Unit	Contract Expiration Date
45	Newburgh Association of Supervisors & Administrators	June 30, 2012
1,172	Newburgh Teachers' Association	June 30, 2012
569	Civil Service Employees' Association – Local 836	June 30, 2012

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 November 1, 2011(1)

	Based on Conventional Equalization Rates	Based on Special Equalization Rates
Five Year Average Full Valuation of Taxable Real Property	$5,241,695,324	$6,107,107,216
Debt Limit (5% of full valuation)(2)	262,084,766	305,355,361
Outstanding Indebtedness(3)		
Inclusions		
Bonds	$56,545,000	$56,545,000
Bond Anticipation Notes	56,432,968	56,432,968
Total Inclusions	$112,977,968	$112,977,968
Exclusions		
Appropriations	$2,385,000	$2,385,000
Total Exclusions	$2,385,000	$2,385,000
Total Net Indebtedness	$110,592,968	$110,592,968
Net Debt Contracting Margin	$151,491,798	$194,762,393
Percentage of Debt Contracting Power Exhausted	42.20%	36.22%

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

(2) The District's constitutional debt limit has been computed using special State 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. The District expects to deliver $32,540,000 School District Bonds to the Authority in connection with the refunding of $41,432,968 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

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 2009 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
County of:					
Orange	$264,328,721	$18,900,000	$245,428,721	18.12%	$44,471,684
City of:					
Newburgh	66,029,757	22,784,150	43,245,607	100.00	43,245,607
Towns of:					
Cornwall	4,055,000	0	4,055,000	0.06	2,433
Newburgh	11,490,066	3,463,066	8,027,000	57.13	4,585,825
New Windsor	14,708,596	3,528,591	11,180,005	63.64	7,114,955
				Total	$99,420,504

(1) Bonds and bond anticipation notes as of close of 2009 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 November 1, 2011.

Debt Ratios
As of November 1, 2011[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$112,977,968	$1,713.79	2.41%
Gross Indebtedness Plus Net Overlapping Indebtedness	212,398,472	3,221.92	4.53

(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 65,923.
(3) Based on the District's full value of taxable real estate using the special State equalization rates for 2011-12 of $4,687,451,966.
(4) The District expects to deliver $32,540,000 School District Bonds to the Authority in connection with the refunding of $41,432,968 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as it is already accounted for in the above calculations.

Cash Flow Borrowing

The District has not issued Revenue Anticipation Notes or Tax Anticipation Notes for the last five 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.

City School District of the City of Newburgh
http://emma.msrb.org/ER435679-ER339057-ER735031.pdf
Base CUSIP: 650859

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 payable to the District in three installments: 33⅓% due in October, 33⅓% due in December and 33⅓% due in March. Payments made on or before the due dates are without penalty. A 1% penalty is charged on the day following the due date and an additional 1% penalty is charged after the end of the month. An additional 1% is then charged after the end of each succeeding month through March 31st. Unpaid taxes for property within the City of Newburgh are turned over to the City for collection and unpaid taxes for property in the Towns of Newburgh, New Windsor and Cornwall are turned over to Orange County for collection. The City and County add additional penalties to the amounts unpaid and such additional penalties are remitted to the District upon subsequent collection.

The City of Newburgh and Orange County make full payment to the District for delinquent taxes within two years.

Valuations, Rates and Tax Levy

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

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
City of:					
Newburgh	$284,060,020	$1,583,416,946	$1,322,113,965	$1,177,051,452	$1,080,914,110
Towns of:					
Cornwall	603,730	603,730	603,730	603,730	603,730
Newburgh	686,603,247	695,564,308	699,976,520	707,400,214	710,814,287
New Windsor	242,238,693	244,168,294	244,263,596	243,983,787	243,627,390
Total Assessed Valuation	$1,213,505,690	$2,523,753,278	$2,266,957,811	$2,129,039,183	$2,035,959,517

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
City of:					
Newburgh	20.00%	100.00%	100.00%	100.00%	100.00%
Towns of:					
Cornwall	49.60	49.60	56.80	61.33	66.18
Newburgh	31.50	24.85	28.68	32.80	35.60
New Windsor	13.58	13.79	14.47	17.31	17.47
Total Assessed Valuation	$5,385,000,226	$6,154,304,205	$5,451,889,326	$4,744,239,987	$4,473,042,877

Special State Equalization Ratios
Years Ending June 30,

	2008	2009	2010	2011	2012
City of:					
Newburgh	17.71%	21.26%	134.64%	106.55%	89.56%
Towns of:					
Cornwall	50.58	56.41	60.59	60.59	60.74
Newburgh	32.10	33.66	31.89	32.12	33.27
New Windsor	14.01	14.87	17.77	17.98	18.14
Taxable Full Valuation	$5,473,138,570	$11,157,400,494[1]	$4,552,514,611	$4,665,030,439	$4,687,451,966

(1) Significant change due to revaluation in fiscal year ending June 30, 2009. Final special State equalization ratios for use in fiscal year ending June 30, 2012 include the change in assessment for the fiscal year ending June 30, 2010.

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$92,662,212	$94,666,557	$94,726,618	$94,011,215	$97,564,272
% Uncollected When Due[1]	7.75%	8.65%	8.02%	8.15%	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

Fiscal Year	Total State Aid(1)	Total Revenues(1)	Percentage of Total Revenues Consisting of State Aid(1)
2007-2008	$112,870,552	$211,797,705	53.29%
2008-2009	128,902,675	227,027,771	56.78
2009-2010	118,167,798	227,313,207	51.98
2010-2011	118,676,693	222,633,231	53.30
2011-2012 (Budgeted)	114,502,757	216,942,025	52.78

(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") since the 2007-2008 fiscal year and the budgeted payments for the 2011-2012 fiscal year are as follows:

Fiscal Year	ERS	TRS
2007-2008	$1,706,400	$9,723,377
2008-2009	1,644,768	9,244,235
2009-2010	2,779,513	8,593,094
2010-2011	2,656,366	11,148,432
2011-2012 (Budgeted)	1,864,862	8,902,961

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

GASB 45 and OPEB

The District contracted with Aon Consulting 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 $299,454,203. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $299,454,203. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $75,602,233. The District's annual OPEB expense was $31,284,283 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $11,284,546 to the Plan for the fiscal year ending June 30, 2011 to 900 employees, resulting in a net increase to its unfunded OPEB obligation of $19,999,737 for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of $95,601,970. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

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

Recent Operating Results

The District's expenditures exceeded its revenues by $6,716,202 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved unassigned General Fund balance of $5,855,488 and a total General Fund Balance of $23,348,899 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*."

Principal and Interest Requirements

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

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$7,254,991	$ –	$ 7,254,991
2012-2013	7,201,187	3,542,659	10,743,846
2013-2014	7,204,917	3,540,400	10,745,317
2014-2015	6,559,174	3,540,700	10,099,874
2015-2016	6,564,859	3,541,000	10,105,859
2016-2017	6,572,831	3,540,125	10,112,956
2017-2018	6,571,383	3,538,375	10,109,758
2018-2019	6,574,940	3,540,375	10,115,315
2019-2020	6,292,449	3,540,750	9,833,199
2020-2021	5,014,434	3,539,250	8,553,684
2021-2022	1,788,427	3,540,500	5,328,927
2022-2023	1,784,680	3,539,125	5,323,805
2023-2024	1,626,577	3,539,750	5,166,327
2024-2025	1,271,314	1,752,750	3,024,064
2025-2026	1,270,834	–	1,270,834

APPENDIX C-8
DESCRIPTION OF
CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA

There follows in this Appendix C-8 a brief description of the City School District of the City of Oneida (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 23.4 square miles, is located in upstate New York, in the Counties of Madison and Oneida, and centers around the City of Oneida. The City of Syracuse is located 25 miles to the west and the City of Utica 20 miles to the east. The District includes the entire City of Oneida as well as portions of the Towns of Lenox and Lincoln in Madison County, and the entire Village of Sylvan Beach and portions of the City of Sherrill and the Towns of Vernon, Verona and Vienna in Oneida County.

Major highways serving the District include Interstate 90 as well as N.Y.S. Routes #5, #46 and #31. Air transportation is available from the Oneida County Airport and the Syracuse Hancock International Airport.

Higher educational opportunities are available at nearby Hamilton College, Utica College, Colgate University and Syracuse University. Sylvan and Verona Beaches are located in the northern part of the School District on the eastern shore of Oneida Lake.

The majority of residents are engaged in industry, commerce and professions in the City of Oneida as well as the Syracuse, Rome and Utica metropolitan areas. The Turning Stone Casino was constructed in the fall of 1993 just north of the School District. The facility is operated by the Oneida Indian Nation of New York and employs 4,900 people. A hotel is also connected to the casino and three eighteen-hole golf courses and two nine hole courses are on land adjacent to the Casino.

Population

The current estimated population of the District is 15,330.

Five Largest Employers

Name	Type	Employees
Oneida Indian Nation	Casino/Business	4,900
Oneida Health Care Center	Hospital	540
Sherrill Manufacturing	Silverware Manufacturer	465
Wal-Mart	Retail Sales	236
Oneida City School District	Public Education	230

Five Largest Taxpayers

Name	Type	Full Valuation
Oneida Nation	Government	$28,589,787
National Grid	Utility	19,865,405
Wal-Mart	Retail	9,500,000
Oneida Glenwood Association	Shopping Center	8,751,475
JEDA Capital-Lenox LLC	Retail Store	8,650,300

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 13.63% 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) are Madison and Oneida Counties.

Year Average

	2006	**2007**	**2008**	**2009**	**2010**
Madison County	4.7%	4.7%	5.7%	8.3%	8.4%
Oneida County	4.4	4.3	5.4	7.5	7.8
New York State	4.6	4.5	5.3	8.4	8.6

Enrollment

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

	2007-08	**2008-09**	**2009-10**	**2010-11**	**2011-12**	**Projected 2012-13**	**Projected 2013-14**
K-12	2,511	2,436	2,403	2,352	2,287	2,275	2,271

District Employees

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

Number of Employees	**Bargaining Unit**	**Contract Expiration Date**
219	Oneida Teachers' Association (New York State United Teachers)	June 30, 2011[1]
109	Oneida Support Staff (New York State United Teachers)	June 30, 2011[1]
15	Oneida Principals / Psychologists (School Administrators)	June 30, 2011[1]
4	Oneida Confidential/Supervisors/Maintenance	June 30, 2011[1]
35	Oneida Bus Drivers / Transportation	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 November 1, 2011[1]

	Based on Conventional Equalization Rates	Based on Special Equalization Rates
Five Year Average Full Valuation of Taxable Real Property	$721,215,783	$770,631,931
Debt Limit (5% of full valuation)[2]	$36,060,789	$38,531,597
Outstanding Indebtedness[3]		
Inclusions		
Bonds	$16,611,000	$16,611,000
Bond Anticipation Notes	17,075,000	17,075,000
Total Inclusions	$33,686,000	$33,686,000
Exclusions		
Bonds Previously Refunded	$0	$0
Appropriations	1,601,000	1,601,000
Total Exclusions	$1,601,000	$1,601,000
Total Net Indebtedness	$32,085,000	$32,085,000
Net Debt Contracting Margin	$3,975,789	$6,446,597
Percentage of Debt Contracting Power Exhausted	88.97%	83.27%

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

(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. The District expects to deliver $15,695,000 School District Bonds to the Authority in connection with the refunding of $17,075,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.

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 2009 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
Counties of:					
Madison	$350,000	$0	$350,000	18.29%	$64,015
Oneida	136,054,692	16,839,600	119,215,092	2.62	3,123,435
Cities of:					
Oneida	15,096,719	2,475,000	12,621,719	100.00	12,621,719
Sherrill	1,185,825	0	1,185,825	0.71	8,419
Towns of:					
Lenox	2,333,750	0	2,333,750	9.57	223,340
Lincoln	202,638	202,638	0	20.63	0
Vernon	0	0	0	18.08	0
Verona	743,000	335,000	408,000	43.53	177,602
Vienna	5,882,407	5,722,407	160,000	17.68	28,288
Villages of:					
Oneida Castle	0	0	0	100.00	0
Sylvan Beach	3,670,000	3,514,000	156,000	100.00	156,000
Wampsville	0	0	0	100.00	0
				Total	$16,402,818

(1) Bonds and bond anticipation notes as of close of 2009 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 November 1, 2011.

Debt Ratios
As of November 1, 2011[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$33,686,000	$2,197.39	4.22%
Gross Indebtedness Plus Net Overlapping Indebtedness	50,088,818	3,267.37	6.28

(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 15,330.
(3) Based on the District's full value of taxable real estate using the special State equalization rates for 2011-12 of $798,031,488.
(4) The District expects to deliver $15,695,000 School District Bonds to the Authority in connection with the refunding of $17,075,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as it is already accounted for in the above calculations.

Cash Flow Borrowing

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

Capital Project Plans

The District issues bonds for bus purchases on a yearly basis. The District plans to issue $360,000 for bus purchases for delivery on November 15, 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.

City School District of the City of Oneida
http://emma.msrb.org/ER515442-ER399492-ER801078.pdf
Base CUSIP: 682556

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

Real Estate Property Tax Collection Procedure

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

Valuations, Rates and Tax Levy

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

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Cities of:					
Oneida	$452,408,771	$456,054,044	$459,703,820	$463,548,697	$463,816,987
Sherrill	746,320	707,000	707,000	707,000	707,000
Towns of:					
Lenox	28,013,978	33,123,273	33,643,328	33,798,078	33,746,833
Lincoln	13,734,057	15,905,341	15,817,944	16,176,215	16,186,842
Vernon	47,469,384	47,957,615	48,122,026	48,358,671	49,031,702
Verona	71,908,520	72,537,765	73,021,556	74,252,418	75,326,224
Vienna	28,892,745	29,135,938	28,699,210	29,079,191	29,283,561
Total Assessed Valuation	$643,173,775	$655,420,976	$659,714,884	$665,920,270	$668,099,149

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Cities of:					
Oneida	100.00%	100.00%	100.00%	98.75%	100.00%
Sherrill	79.00	74.00	72.50	72.00	71.00
Towns of:					
Lenox	87.00	100.00	98.00	97.25	95.25
Lincoln	87.00	100.00	98.00	97.25	95.25
Vernon	79.00	74.50	72.50	72.00	71.00
Verona	78.80	74.00	72.67	74.00	75.00
Vienna	65.00	63.00	59.00	65.00	62.50
Taxable Full Valuation	$697,132,399	$714,682,228	$726,651,386	$734,028,937	$733,583,966

Special State Equalization Ratios
Years Ending June 30,

	2008	2009	2010	2011	2012
Cities of:					
Sherrill	83.42%	99.25%	97.84%	95.75%	93.61%
Oneida	72.53	70.65	70.31	66.21	62.40
Towns of:					
Lenox	82.43	81.45	96.65	92.45	88.96
Lincoln	82.43	81.45	96.65	91.45	88.96
Vernon	72.53	70.65	70.31	66.21	62.40
Verona	71.28	71.18	71.91	69.06	66.26
Vienna	61.17	57.49	63.49	59.13	55.22
Taxable Full Valuation	$807,565,352	$741,163,820	$737,224,973	$769,174,023	$798,031,488

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$12,515,349	$13,337,520	$13,724,312	$14,259,560	$14,651,698
% Uncollected When Due(1)	8.7%	8.8%	8.2%	8.1%	N/A

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

State Aid

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

State Aid and Revenues

Fiscal Year	Total State Aid(1)	Total Revenues(1)	Percentage of Total Revenues Consisting of State Aid(1)
2007-2008	$19,984,256	$34,059,306	58.67%
2008-2009	21,600,429	36,608,421	59.00
2009-2010	20,998,529	37,507,623	55.98
2010-2011	20,096,724	36,983,788	54.34
2011-2012 (Budgeted)	19,432,792	37,115,418	52.36

(1) General Fund only.

Pension Payments

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

Fiscal Year	ERS	TRS
2007-2008	$310,384	$1,239,009
2008-2009	270,996	1,114,529
2009-2010	244,301	891,014
2010-2011	394,562	1,191,339
2011-2012 (Budgeted)	417,554	1,483,036

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 $83,944.185. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $83,944,185. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $12,759,057. The District's annual OPEB expense was $6,870,966 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $2,068,402 to the Plan for the fiscal year ending June 30, 2011 to 587 current and past employees, resulting in a net increase to its unfunded OPEB obligation of $4,802,564, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of $17,561,621. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

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

Recent Operating Results

The District's expenditures exceeded its revenues by $36,349 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $1,832,285 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*."

Principal and Interest Requirements

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

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

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$2,267,603	$ –	$2,267,603
2012-2013	2,259,426	1,703,946	3,963,372
2013-2014	2,191,196	1,707,100	3,898,296
2014-2015	2,118,495	1,706,300	3,824,795
2015-2016	2,051,344	1,708,250	3,759,594
2016-2017	1,479,157	1,707,375	3,186,532
2017-2018	1,390,294	1,703,750	3,094,044
2018-2019	1,394,381	1,707,125	3,101,506
2019-2020	1,391,631	1,707,250	3,098,881
2020-2021	1,057,256	1,704,125	2,761,381
2021-2022	564,456	1,707,500	2,271,956
2022-2023	560,006	1,707,125	2,267,131
2023-2024	560,131	1,707,875	2,268,006
2024-2025	564,619	866,125	1,430,744
2025-2026	568,256	–	568,256
2026-2027	566,044	–	566,044
2027-2028	573,194	–	573,194
2028-2029	579,281	–	579,281
2029-2030	574,306	–	574,306
2030-2031	578,694	–	578,694
2031-2032	582,019	–	582,019

(1) Schedule does not include remaining principal payments of $2,384,702 due under an energy performance contract. The final payment on the energy performance contract is in the 2019-2020 year.

APPENDIX C-9
DESCRIPTION OF
WATERVILLE CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-9 a brief description of the Waterville 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 and is situated principally in the County of Oneida, with a small portion situated in Madison County. The City of Utica is approximately 14 miles north. The District encompasses and area approximately 68 square miles. Major highways of service to the District include U.S. #20 and State highways #8 and #12. Exchanges to the New York State Thruway are within one-half hour from the District, as is the Oneida County Airport.

The District is primarily residential and agricultural in nature. Many of its residents are employed in the Utica metropolitan area. Professional and commercial services are available to residents in the incorporated Village of Waterville as well as the City of Utica. First Niagara Bank and Berkshire Bank have branch offices situated in the Village of Waterville.

Police protection is afforded residents through local and State agencies. Fire protection is provided by various volunteer fire departments.

Population

The current estimated population of the District is 5,766.

Five Largest Employers

Name	Type	Employees
Sherwood Medical Company	Medical Supplies	200
Waterville Central School District	Public Education	141
Harding Nursing Home	Nursing Home	100
Champion Home Builders	Modular Homes	90
Hanson Aggregates	Gravel Pit	75

Five Largest Taxpayers

Name	Type	Full Valuation
New York State Electric & Gas Corporation	Utility	$8,390,337
Dominion Gas	Utility	5,843,449
Tennessee Gas Pipeline Company	Utility	4,202,600
Hanson Aggregates New York	Stone Quarry	3,780,444
Citizens Communications	Utility	3,328,950

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) are Oneida and Madison Counties.

Year Average

	2006	2007	2008	2009	2010
Oneida County	4.4%	4.3%	5.4%	7.5%	7.8%
Madison County	4.7	4.7	5.7	8.3	8.4
New York State	4.6	4.5	5.3	8.4	8.6

Enrollment

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

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	922	905	876	890	943	945	940

District Employees

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

Number of Employees	Bargaining Unit	Contract Expiration Date
88	New York State United Teachers	June 30, 2009[(1)]
42	Service Employees International Union	June 30, 2010[(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 November 1, 2011[(1)]

Full Valuation of Taxable Real Property	$254,734,163
Debt Limit (10% of Full Valuation)	25,473,416
Gross Indebtedness[(2)]	$16,104,000
Less: Exclusions – Estimated Building Aid[(3)]	0
Total Net Indebtedness	$16,104,000
Net Debt Contracting Margin	$9,369,416
Percentage of Debt Contracting Power Exhausted	63.32%

(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 $4,160,000 School District Bonds to the Authority in connection with the refunding of $4,400,000 of the District's outstanding bond anticipation notes and financing of the District's capital construction project. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the percentage of debt contracting power exhausted accordingly.
(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. Since the Gross Indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2009 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[(1)]	Exclusions[(2)]	Net Indebtedness	% Within District	Applicable Net Indebtedness
Counties of:					
Oneida	$136,054,692	$16,839,600	$119,215,092	2.28%	$2,718,104
Madison	350,000	0	350,000	0.36	1,260
Towns of:					
Augusta	0	0	0	41.43	0
Brookfield	37,600	0	37,600	10.60	3,986
Kirkland	938,300	132,800	805,500	0.88	7,088
Madison	0	0	0	1.93	0
Marshall	57,311	57,311	0	84.43	0
Paris	2,425,117	1,360,000	1,065,117	0.01	107
Sangerfield	18,000	0	18,000	99.56	17,921
Vernon	0	0	0	0.02	0
Villages of:					
Waterville	1,134,454	939,154	195,300	100.00	195,300
Clayville	344,813	20,000	324,813	100.00	324,813
Madison	296,474	217,150	79,324	100.00	79,324
				Total	$3,347,903

(1) Bonds and bond anticipation notes as of close of 2009 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 November 1, 2011.

Debt Ratios
As of November 1, 2011[(1)]

	Amount	Per Capita[(2)]	Percentage of Full Value[(3)]
Gross Indebtedness[(4)]	$16,104,000	$2,792.92	6.32%
Gross Indebtedness Plus Net Overlapping Indebtedness	19,451,903	3,373.55	7.64

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 5,766.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $254,734,163.
(4) The District expects to deliver $4,160,000 School District Bonds to the Authority in connection with the refunding of $4,400,000 of the District's outstanding bond anticipation notes and financing of the District's capital construction project. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the debt ratios accordingly.

Cash Flow Borrowing

The 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.

Waterville Central School District
http://emma.msrb.org/ER437975-ER340895-ER736981.pdf
Base CUSIP: 942316

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 from September 1st through September 31st, but a 2% penalty is charged from October 1st to October 31st and from then on until December 9th when uncollected taxes are returnable to the Counties of Oneida and Madison for collection. The District receives this amount of uncollected taxes from said Counties on or before April 30th, thereby assuring 100% tax collection annually.

Valuations, Rates and Tax Levy

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

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Augusta	$22,820,918	$23,044,941	$23,080,996	$23,230,779	$23,365,664
Brookfield	8,867,578	9,194,339	9,494,126	11,671,836	11,829,981
Kirkland	3,013,062	2,980,851	2,935,266	2,935,652	3,213,424
Madison	2,789,131	2,960,488	3,078,694	3,187,277	3,220,336
Marshall	60,073,678	60,895,884	61,978,587	62,403,469	63,040,852
Paris	8,200	9,600	9,400	10,325	14,017
Sangerfield	68,419,166	69,846,141	70,447,505	70,475,634	70,999,253
Vernon	60,900	31,400	31,752	34,962	38,150
Total Assessed Valuation	$166,052,633	$168,963,644	$171,056,326	$173,949,934	$175,721,677

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Augusta	80.50%	78.00%	73.50%	74.50%	73.00%
Brookfield	95.00	89.00	80.00	100.00	100.00
Kirkland	65.00	58.00	58.00	58.00	60.00
Madison	94.00	90.00	79.00	79.00	79.00
Marshall	67.50	67.50	62.50	65.00	65.00
Paris	91.50	85.50	81.00	79.00	100.00
Sangerfield	79.80	69.50	64.50	67.25	68.00
Vernon	79.00	74.50	72.50	72.00	71.00
Taxable Full Valuation	$220,108,295	$239,071,888	$260,670,336	$252,813,533	$254,734,163

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$4,214,343	$4,341,436	$4,345,326	$4,275,679	$4,356,917
% Uncollected When Due[(1)]	6.3%	6.7%	7.6%	7.6%	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 three completed fiscal years, the estimated figures for the 2010-2011 fiscal year and the budgeted figures for the current fiscal year.

State Aid and Revenues

Fiscal Year	Total State Aid(1)	Total Revenues(1)	Percentage of Total Revenues Consisting of State Aid(1)
2007-2008	$10,159,155	$14,588,515	69.64%
2008-2009	10,464,881	15,279,607	68.49
2009-2010	9,748,470	15,172,702	64.25
2010-2011 (Estimated)	9,908,457	14,439,240	68.62
2011-2012 (Budgeted)	10,342,619	15,093,669	68.52

(1) General Fund only.

Pension Payments

The District's payments to the New York State Employee Retirement System ("ERS") and the Teachers Retirement System ("TRS") since the 2007-2008 fiscal year, the estimated payments for the 2010-2011 fiscal year and the budgeted payments for the 2011-2012 fiscal year are as follows:

Fiscal Year	ERS	TRS
2007-2008	$100,626	$501,036
2008-2009	115,804	447,649
2009-2010	96,602	347,652
2010-2011 (Estimated)	135,044	395,988
2011-2012 (Budgeted)	216,338	559,076

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

GASB 45 and OPEB

The District contracted with Armory Associates, LLC to calculate its "other post-employment benefits" ("OPEB") plan (the "Plan") in accordance with GASB 45. As of July 1, 2010, the most recent actuarial valuation date, the actuarial accrued liability (AAL), the portion of the actuarial present value of the total future benefits based on the employees' service rendered to the measurement date, is $29,809,636. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $29,809,636. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $5,116,839. The District's annual OPEB expense was $3,027,956 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $665,484 to the Plan for the fiscal year ending June 30, 2011 to 198 employees, resulting in a net increase to its unfunded OPEB obligation of $2,362,472, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of $7,479,311. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

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

Recent Operating Results

The District's revenues exceeded its expenditures by an estimated $143,911 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of an estimated $2,587,565 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*."

Principal and Interest Requirements

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

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$1,354,074	$ –	$1,354,074
2012-2013	1,350,279	428,028	1,778,307
2013-2014	1,304,935	427,450	1,732,385
2014-2015	1,309,655	427,650	1,737,305
2015-2016	1,307,436	426,150	1,733,586
2016-2017	1,308,454	427,775	1,736,229
2017-2018	1,142,892	423,775	1,566,667
2018-2019	976,523	424,150	1,400,673
2019-2020	974,461	423,775	1,398,236
2020-2021	976,048	427,525	1,403,573
2021-2022	976,191	425,400	1,401,591
2022-2023	364,306	427,400	791,706
2023-2024	361,475	428,400	789,875
2024-2025	358,226	423,525	781,751
2025-2026	244,550	214,200	458,750
2026-2027	244,988	–	244,988

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APPENDIX C-10
DESCRIPTION OF
WEEDSPORT CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-10 a brief description of the Weedsport 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 35 square miles, includes all of the Village of Weedsport, a large portion of the Towns of Brutus and Sennett and minor portion of the Towns of Cato, Conquest, Mentz and Throop.

The District is located in the north central portion of Cayuga County, is approximately 22 miles west of the City of Syracuse and abuts the north side of the City of Auburn. The New York State Thruway and airlines operating from the Syracuse Airport serve the area.

The District is primarily residential and agricultural, and many residents are employed in the Syracuse and Auburn areas.

Population

The current estimated population of the District is 5,287.

Five Largest Employers

Name	Type	Employees
Auburn Correctional Facility	State Prison	841
County of Cayuga	County Government	761
Auburn School District	Education	706
Auburn Memorial Hospital	Health Care	545
McQuay International	Heating and Cooling Equipment	515

Five Largest Taxpayers

Name	Type	Full Valuation
Owens Brockway	Commercial	$11,160,000
WP Howell Station LLC	Commercial	5,966,000
Auburn Associates	Commercial	3,902,800
Natick Sennett Realty	Realtor	2,997,500
Cayuga County Industrial	Commercial	2,965,400

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 10.1% of the tax base of the District.

Unemployment Rate Statistics

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

Year Average

	2006	2007	2008	2009	2010
Onondaga County	4.4%	4.1%	5.2%	7.8%	8.0%
New York State	4.6	4.5	5.3	8.4	8.6

Enrollment

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

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	960	950	935	900	895	925	920

District Employees

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

Number of Employees	Bargaining Unit	Contract Expiration Date
84	New York State United Teachers	June 30, 2012
43	Civil Service Employees' Association	June 30, 2012

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 November 1, 2011(1)

Full Valuation of Taxable Real Property	$329,708,908
Debt Limit (10% of Full Valuation)	32,970,891
Gross Indebtedness(2)	$33,594,200
Less: Exclusions – Estimated Building Aid(3)	16,380,208
Total Net Indebtedness	$17,213,992
Net Debt Contracting Margin	$15,756,898
Percentage of Debt Contracting Power Exhausted	52.21%

(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 $2,055,000 School District Bonds to the Authority in connection with the refunding of $2,500,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the percentage of debt contracting power exhausted as they are already included in Gross Indebtedness above.
(3) Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. 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 2009 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
County of:					
Cayuga	$50,576,223	$15,690,000	$34,886,223	8.70%	$3,035,101
Towns of:					
Brutus	2,583,852	2,583,852	0	86.69	0
Cato	55,238	0	55,238	17.17	9,484
Conquest	1,826	1,826	0	8.89	0
Mentz	221,570	0	221,570	0.04	89
Sennett	2,109,642	504,642	1,605,000	39.71	637,346
Throop	105,000	0	105,000	8.92	9,366
Village of:					
Westport	1,049,060	0	1,049,060	100.00	1,049,060
				Total	$4,740,446

(1) Bonds and bond anticipation notes as of close of 2009 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 November 1, 2011.

Debt Ratios
As of November 1, 2011[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$33,594,200	$6,354.11	10.19%
Gross Indebtedness Plus Net Overlapping Indebtedness	38,334,646	7,250.74	11.63

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 5,287.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $329,708,908.
(4) The District expects to deliver $2,055,000 School District Bonds to the Authority in connection with the refunding of $2,500,000 of the District's outstanding bond anticipation notes. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will not alter the debt ratios as it is already accounted for in the above calculations.

Cash Flow Borrowing

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

Capital Project Plans

The District has authorized the issuance of $2,500,000 obligations for renovations, additions and improvements to the District's Elementary School Building, Junior-Senior High Building and football field. The District has $2,500,000 bond anticipation notes outstanding against this authorization maturing December 29, 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.

Weedsport Central School District
http://emma.msrb.org/ER437930-ER340849-ER736932.pdf
Base CUSIP: 948543

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

Real Estate Property Tax Collection Procedure

Real property tax payments are due September 1st of each year. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty for the next 30 days. On November 15th, uncollected taxes are returnable to the County tax enforcement officer who is required to enforce collection of such unpaid taxes. The District receives the uncollected balance of its tax levy in full from the County before the end of the school year. Responsibility for the collection of unpaid taxes rests with the County.

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. Tax sales are held annually by the County.

Valuations, Rates and Tax Levy

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

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Brutus	$149,608,460	$150,509,728	$152,766,365	$154,377,460	$155,362,553
Cato	20,255,443	20,586,339	20,736,686	24,431,113	24,692,426
Conquest	5,940,327	5,972,506	6,086,225	6,205,253	6,207,516
Mentz	25,400	25,400	50,800	50,800	50,800
Sennett	93,060,559	94,746,944	121,391,540	123,243,068	123,165,841
Throop	5,657,509	9,962,854	9,878,724	9,951,916	10,385,763
Total Assessed Valuation	$274,547,698	$281,803,771	$310,910,340	$318,259,610	$319,864,899

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Brutus	100.00%	97.00%	99.00%	96.00%	95.00%
Cato	95.00	88.00	88.00	100.00	100.00
Conquest	81.00	81.00	81.00	82.00	79.00
Mentz	83.00	71.97	75.00	75.00	75.00
Sennett	88.00	79.00	100.00	100.00	100.00
Throop	70.50	100.00	100.00	100.00	100.00
Taxable Full Valuation	$292,069,789	$315,862,686	$316,725,731	$326,071,066	$329,708,908

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$6,147,375	$6,480,874	$6,607,136	$6,782,186	$6,945,600
% Uncollected When Due[(1)]	4.75%	5.85%	6.05%	5.14%	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

Fiscal Year	Total State Aid[(1)]	Total Revenues[(1)]	Percentage of Total Revenues Consisting of State Aid[(1)]
2007-2008	$8,144,013	$14,868,560	54.77%
2008-2009	8,391,798	15,409,860	54.46
2009-2010	8,429,535	16,048,829	52.52
2010-2011	8,025,015	15,766,864	50.90
2011-2012 (Budgeted)	7,749,009	17,068,301	45.40

(1) General Fund only.

Pension Payments

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

Fiscal Year	ERS	TRS
2007-2008	$115,360	$464,820
2008-2009	97,397	504,935
2009-2010	89,461	416,275
2010-2011	159,509	548,215
2011-2012 (Budgeted)	127,577	739,540

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, 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 $12,883,656. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $12,883,656. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $1,164,894. The District's annual OPEB expense was $956,293 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $373,273 to the Plan for the fiscal year ending June 30, 2011 to 190 employees, resulting in a net increase to its unfunded OPEB obligation of $587,235, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of $1,752,129. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

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

Recent Operating Results

The District's expenditures exceeded its revenues by $51,706 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unassigned General Fund balance of $420,263 and a total General Fund balance of $2,799,909 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*."

Principal and Interest Requirements

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

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$2,908,546	$ –	$2,908,546
2012-2013	2,870,616	204,167	3,074,783
2013-2014	4,400,988	207,150	4,608,138
2014-2015	4,354,622	202,550	4,557,172
2015-2016	4,334,925	202,250	4,537,175
2016-2017	4,319,313	206,000	4,525,313
2017-2018	4,314,925	204,375	4,519,300
2018-2019	4,311,825	202,500	4,514,325
2019-2020	594,988	205,250	800,238
2020-2021	595,900	202,625	798,525
2021-2022	596,175	204,625	800,800
2022-2023	600,813	206,125	806,938
2023-2024	599,188	207,125	806,313
2024-2025	591,356	202,750	794,106
2025-2026	597,831	204,000	801,831
2026-2027	597,988	–	597,988
2027-2028	596,988	–	596,988
2028-2029	594,600	–	594,600
2029-2030	596,275	–	596,275
2030-2031	191,788	–	191,788
2031-2032	194,900	–	194,900
2032-2033	192,538	–	192,538
2033-2034	189,938	–	189,938
2034-2035	192,100	–	192,100

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APPENDIX C-11
DESCRIPTION OF
WORCESTER CENTRAL SCHOOL DISTRICT

There follows in this Appendix C-11 a brief description of the Worcester 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 a rural central school district located in the picturesque Leatherstocking region of New York State. The District is located in the Towns of Decatur, Maryland, Westford and Worcester in Otsego County and the Town of Harpersfield in Delaware County. The District consists of one building with an enrollment of approximately 410 students in grades Pre-K through 12^{th}. The District covers 64 square miles and has six regular bus runs.

The District is served by Interstate 88, which passes through the central part of the Town of Worcester, following the same course as New York State Route 7.

Water services are provided by municipal systems and sewer services are provided by private septic systems. Fire protection and ambulance services are provided by various volunteer organizations. Electricity is provided by National Grid and telephone service by Verizon New York Inc. Police protection is provided by the County Sheriff's Departments and the New York State Police.

District residents find commercial and financial services in nearby Oneonta.

Population

The current estimated population of the District is 2,579.

Five Largest Employers

Name	Type	Employees
Worcester Central School District	Public Education	93
Stewarts Shop	Food/Gasoline	21
Chase Chevrolet, Inc.	Auto Sales/Service	15
Worcester White House Inn	Inn/Restaurant	14
RBS Citizens, N.A.	Commercial Bank	12

Five Largest Taxpayers

Name	Type	Full Valuation
National Grid	Utility	$5,296,058
State of New York	State Land	1,905,730
Verizon New York Inc.	Utility	1,751,474
Allen Freedman	Horse Farm	1,173,510
David J. Miller	Rental Properties	893,389

The total estimated full valuation of the top **ten (10)** taxpayers represents approximately 8.67% 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 Otsego and Delaware Counties.

Year Average

	2006	2007	2008	2009	2010
Otsego County	4.5%	4.6%	5.7%	7.7%	7.7%
Delaware County	4.4	4.4	5.9	8.7	8.7
New York State	4.6	4.5	5.3	8.4	8.6

Enrollment

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

	2007-08	2008-09	2009-10	2010-11	2011-12	Projected 2012-13	Projected 2013-14
K-12	414	396	406	406	425	425	425

District Employees

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

Number of Employees	Bargaining Unit	Contract Expiration Date
48	Worcester Teachers' Association	June 30, 2012
43	Worcester Central School District Non-Teaching Personnel	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 November 1, 2011[(1)]

Full Valuation of Taxable Real Property	$188,222,509
Debt Limit (10% of Full Valuation)	18,822,251
Gross Indebtedness[(2)]	$26,915,000
Less: Exclusions – Estimated Building Aid[(3)]	22,400,829
Total Net Indebtedness	$4,514,171
Net Debt Contracting Margin	$14,308,080
Percentage of Debt Contracting Power Exhausted	23.98%

(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 $28,170,000 School District Bonds to the Authority in connection with the refunding of $26,570,000 of the District's outstanding bond anticipation notes and financing of the District's capital construction project. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the percentage of debt contracting power exhausted accordingly.

(3) 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 2009 fiscal year of the respective municipalities.

Unit	Outstanding Indebtedness[1]	Exclusions[2]	Net Indebtedness	% Within District	Applicable Net Indebtedness
Counties of:					
Otsego	$22,350,804	$0	$22,350,804	3.73%	$833,685
Delaware	23,980,000	0	23,980,000	0.00	0
Towns of:					
Decatur	17,000	0	17,000	100.00	17,000
Maryland	0	0	0	0.43	0
Westford	0	0	0	11.03	0
Worcester	377,250	0	377,250	90.03	339,638
Harpersfield	240,000	0	240,000	0.07	168
				Total	$1,190,491

(1) Bonds and bond anticipation notes as of close of 2009 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 November 1, 2011.

Debt Ratios
As of November 1, 2011[1]

	Amount	Per Capita[2]	Percentage of Full Value[3]
Gross Indebtedness[4]	$26,915,000	$10,436.22	14.30%
Gross Indebtedness Plus Net Overlapping Indebtedness	28,105,491	10,897.83	14.93

(1) The District has not incurred any indebtedness since the date of the above table.
(2) Based on the District's current estimated population of 2,579.
(3) Based on the District's full value of taxable real estate using the State equalization rates for 2011-12 of $188,222,509.
(4) The District expects to deliver $28,170,000 School District Bonds to the Authority in connection with the refunding of $26,570,000 of the District's outstanding bond anticipation notes and financing of the District's capital construction project. Such School District Bonds, when issued, will constitute Gross Indebtedness of the District and will alter the debt ratios accordingly.

Cash Flow Borrowing

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

Fiscal Year	Amount	Type	Issue Date	Due Date
2009-2010	$3,500,000	RAN	12/30/09	6/30/10

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.

Worcester Central School District
http://emma.msrb.org/ER507718-ER394347-ER795906.pdf
Base CUSIP: 981326

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 September 1st. If paid by October 6th, no penalty is imposed. There is a 2% penalty if paid by the end of October. On November 15th, a list of all unpaid taxes is given to the Counties for relevy on County/Town tax rolls, with an additional 7% penalty. 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 table below sets forth the assessed and full valuation of taxable real property and the District's real property tax levy for the last five years.

Valuations, Rates and Tax Levy

Assessed Valuation
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Decatur	$16,542,699	$16,833,657	$17,022,763	$17,069,801	$17,182,197
Maryland	215,100[1]	585,400[1]	568,100	568,100	568,100
Westford	3,122,742	3,383,822	3,386,852	3,429,552	3,429,552
Worcester	77,025,961	86,176,456	85,199,351	85,642,102	85,295,142
Harpersfield	29,382	37,486	37,486	37,486	37,486
Total Assessed Valuation	$96,935,884	$107,016,821	$106,214,552	$106,747,041	$106,512,477

(1) Difference due to town-wide revaluation.

State Equalization Rates
Years Ending June 30,

	2008	2009	2010	2011	2012
Towns of:					
Decatur	60.51%	50.00%	44.31%	45.75%	47.25%
Maryland	75.00	100.00	100.00	100.00	100.00
Westford	58.00	58.00	48.63	54.00	52.00
Worcester	66.00	60.00	52.00	57.50	59.00
Harpersfield	25.47	25.24	27.20	29.60	29.60
Taxable Full Valuation	$149,830,984	$183,862,835	$209,932,784	$193,299,591	$188,222,509

Total District Property Tax Collections
Years Ending June 30,

	2008	2009	2010	2011	2012
Total Tax Levy	$2,332,601	$2,407,991	$2,478,563	$2,881,220	$2,956,113
% Uncollected When Due(1)	17.45%	15.18%	16.90%	17.88%	76.23%(2)

(1) See "Real Estate Property Tax Collection Procedure."
(2) As of October 23, 2011. Taxes are collected until November 15, 2011.

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

Fiscal Year	Total State Aid(1)	Total Revenues(1)	Percentage of Total Revenues Consisting of State Aid(1)
2007-2008	$4,299,123	$7,042,980	61.04%
2008-2009	4,829,014	7,466,482	64.68
2009-2010	4,567,046	7,594,206	60.14
2010-2011	4,486,342	7,667,755	58.51
2011-2012 (Budgeted)	6,670,356	9,677,469	68.93

(1) General Fund only.

Pension Payments

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

Fiscal Year	ERS	TRS
2007-2008	$66,047	$179,003
2008-2009	65,783	167,947
2009-2010	59,099	143,962
2010-2011	94,518	189,694
2011-2012 (Budgeted)	129,325	286,586

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 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 $11,241,694. The actuarial value of the Plan's assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $11,241,694. For the fiscal year ending June 30, 2011, the District's beginning year Net OPEB obligation was $617,453. The District's annual OPEB expense was $939,090 and is equal to the adjusted annual required contribution (ARC). The District is on a pay-as-you-go funding basis and paid $311,506 to the Plan for the fiscal year ending June 30, 2011 to 123 employees, resulting in a net increase to its unfunded OPEB obligation of $627,584, for a fiscal year ending June 30, 2011 total net unfunded OPEB obligation of $1,245,037. The aforementioned liability and ARC are recognized and disclosed in accordance with GASB 45 standards in the District's June 30, 2011 financial statements. The District has reserved $0 toward its OPEB liability. See also "PART 4 – THE SCHOOL DISTRICTS – Financial Factors – *GASB and OPEB*."

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

Recent Operating Results

The District's expenditures exceeded its revenues by $151,371 in its General Fund for the fiscal year ended June 30, 2011, resulting in an unreserved undesignated General Fund balance of $416,499 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*."

Principal and Interest Requirements

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

Schedule of Debt Service on Long-Term Bond Indebtedness

Fiscal Year	Existing Debt Service	New Debt Service	Total Debt Service
2011-2012	$175,038	$2,239,173	$2,414,211
2012-2013	79,950	2,203,421	2,283,371
2013-2014	77,888	2,213,221	2,291,109
2014-2015	30,825	2,207,321	2,238,146
2015-2016	–	2,206,021	2,206,021
2016-2017	–	2,205,871	2,205,871
2017-2018	–	2,206,621	2,206,621
2018-2019	–	2,212,984	2,212,984
2019-2020	–	2,207,671	2,207,671
2020-2021	–	2,212,384	2,212,384
2021-2022	–	2,208,309	2,208,309
2022-2023	–	2,209,294	2,209,294
2023-2024	–	2,205,163	2,205,163
2024-2025	–	2,206,563	2,206,563
2025-2026	–	2,187,485	2,187,485
2026-2027	–	1,238,365	1,238,365
2027-2028	–	1,230,685	1,230,685
2028-2029	–	1,232,445	1,232,445
2029-2030	–	1,236,805	1,236,805
2030-2031	–	688,525	688,525
2031-2032	–	139,005	139,005
2032-2033	–	139,445	139,445
2033-2034	–	139,545	139,545
2034-2035	–	139,400	139,400
2035-2036	–	139,010	139,010
2036-2037	–	138,375	138,375
2037-2038	–	137,495	137,495
2038-2039	–	136,370	136,370

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SUMMARY OF CERTAIN PROVISIONS OF THE FINANCING AGREEMENTS

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SUMMARY OF CERTAIN PROVISIONS OF THE FINANCING AGREEMENTS

The following is a brief summary of certain provisions of the Financing Agreements to be executed by each of the School Districts. Such summary does not purport to be complete and reference is made to the Agreement for full and complete statements of such provisions. Defined terms used in the Agreement have the meanings ascribed to them in Appendix A or in the body of this Official Statement.

Loan Clauses

(A) Loan Consummation. Subject to the conditions and in accordance with the terms of the Agreement, the Authority agrees to make the Loan and the School District agrees to accept and repay the Loan in an aggregate principal amount of up to the Principal Amount at a net interest cost not to exceed the Maximum Rate. As evidence of the Loan made to the School District, the School District agrees to issue to or upon the order of the Authority, and to deliver to or upon the order of the Authority, the School District Bonds in an aggregate principal amount of up to the Principal Amount, bearing interest at rates not exceeding the Maximum Rate and expected to mature at the times and in the amounts set forth in the Agreement.

(B) Payment to Trustee. On the dates set forth in the Agreement, the School District will deposit or cause to be deposited with the Trustee the full amount of the payment due on the School District Bonds on such dates, respectively; provided, however that the School District agrees to pay the amount due on such initial payment date on or before the date of issuance of the Authority Bonds or on such other date as maybe set forth in the Agreement. Amounts so deposited by the School District prior to the payment date for the Authority Bonds will be invested by the Trustee at the direction of the Authority. Investment earnings on such amounts will accrue to the benefit of the School District and will be paid to the School District at the direction of the Authority in accordance with the section of the Agreement described below under the heading "Application of Interest Earnings."

(C) Pledge and Assignment. The School District assigns and pledges to the Authority a sufficient portion of any and all public funds to be apportioned or otherwise to be made payable by the State to the School District to cover the payments required by the Agreement and directs and acknowledges that such amounts will be paid directly to the Trustee as provided in the Act and the Memorandum of Understanding upon the occurrence of any Event of Default under the Agreement. Such assignment and pledge is irrevocable and will continue until the date on which the liabilities of the Authority and the School District with respect to the Project have been discharged and the School District's Proportionate Share of the Authority Bonds has been paid or otherwise discharged. The School District agrees that it will not create or suffer to be created any pledge or assignment of the public funds mentioned in the Agreement to be apportioned or otherwise payable by the State other than pledges or assignments to secure subsequent Series of Authority Bonds or to secure bonds issued by any agency or instrumentality of the United States of America or the State of New York or any authority, agency or political subdivision thereof, or as otherwise consented to in writing by the Authority.

(Section 3.1)

Other Amounts Payable

(A) The School District expressly agrees to pay to the Authority:

(i) Upon the issuance and sale of the Authority Bonds, the initial financing fee, the Authority's annual administrative fee and its Proportionate Share (or such other portion thereof as shall be agreed upon by the School District and the Authority) of the costs and expenses of the Authority in the preparation, sale and delivery of the Authority Bonds, the preparation and delivery of any legal instruments, closing transcripts and documents necessary in connection therewith and with the Agreement their filing and recording, if required, and all taxes and charges payable in connection with any of the foregoing, all as specified in the Notice of Terms. Such costs are payable from the sources identified in Exhibit C to the Agreement and in the amount specified in the Notice of Terms, subject to the limit set forth in the Agreement;

(ii) Other Costs of Issuance payable to consultants and attorneys utilized by the School District in connection with the issuance of the School District Bonds as set forth in the Notice of Terms;

(iii) As such expenses are incurred, the amount of any Authority expenses (including but not limited to investment losses and the reasonable fees and expenses of the Authority, the Trustee, the owners of Authority Bonds, and attorneys representing any of the foregoing) incurred as a result of the School District's failure to make any payment on the School District Bonds when due or failure to otherwise comply with the terms of the Agreement or the School District Bonds; and

(iv) In the event that after the date set forth in the Agreement the School District does not proceed to the closing of the Loan, the fees of the Authority's bond counsel incurred with respect to the School District's Loan.

(B) Indemnification. To the extent permitted by law, the School District agrees to indemnify, defend and hold harmless the Authority and each member, officer and employee of the Authority against any and all liabilities, losses, costs, damages or claims, and will pay any and all judgments or expenses of any and all kinds or nature and however arising, imposed by law, including interest thereon, which it or any of them may sustain, be subject to or be caused to incur by reason of any claim, action, suit, charge or proceeding arising from or out of (1) the making of the Loan by the Authority to the School District, (2) any failure by the School District to deliver the School District Bonds to the Authority or (3) an allegation that an official statement, prospectus, placement memorandum or other offering document prepared in connection with the sale and issuance of the Authority Bonds contained an untrue or misleading statement of a material fact obtained from the School District relating to the School District or the Project, or omitted to state a material fact relating to the School District or the Project necessary in order to make the statements made therein in light of the circumstances under which they were made not misleading; provided, however, that neither the Authority nor a member, officer or employee of the Authority will be released, indemnified or held harmless from any claim for damages, liability, loss, cost, damage, judgment or expense arising out of the gross negligence or willful misconduct of the Authority, such member, officer or employee.

The Authority agrees to give the School District prompt notice in writing of the assertion of any claim or the institution of each such suit, action or proceeding and to cooperate with the School District in the investigation of such claim and the defense, adjustment, settlement or compromise of any such action or proceeding. The Authority will not settle any such suit, action or proceeding without the prior written consent of counsel to the School District.

Except as provided in the following paragraph, the School District, at its own cost and expense, will defend any and all suits, actions or proceedings which may be brought or asserted against the Authority, its members, officers or employees for which the School District is required to indemnify the Authority or hold the Authority harmless, but this provision will not be deemed to relieve any insurance company which has issued a policy of insurance as may be provided for in the Agreement from its obligation to defend the School District, the Authority and any other insured named in such policy of insurance in connection with claims, suits or actions covered by such policy.

The Authority and each member, officer or employee thereof will, at the cost and expense of the School District, be entitled to employ separate counsel in any action or proceeding arising out of any alleged act or omission which occurred or is alleged to have occurred while the member, officer or employee was acting within the scope of his or her employment or duties in connection with the issuance of the Authority Bonds or the refinancing or use of the Project, and to conduct the defense thereof, in which (i) the counsel to the School District determines, based on his or her investigation and review of the facts and circumstances of the case, that the interests of such person and the interests of the School District are in conflict, or in the event such counsel determines that no conflict exists, a court of competent jurisdiction subsequently determines that such person is entitled to employ separate counsel, or (ii) such person may have an available defense which cannot as a matter of law be asserted on behalf of such person by the School District or by counsel employed by it, or (iii) such person may be subject to criminal liability, penalty or forfeiture, or (iv) the School District has consented to the employment of separate counsel or the counsel retained by the School District pursuant to the Agreement is not reasonably acceptable to the Authority; provided, however, that the School District will not be liable for attorneys' fees of separate counsel so retained or any other expenses incurred in connection with the defense of an action or proceeding described in clause (iii) of this paragraph, unless the member, officer or employee has prevailed on the merits or such action or proceeding was dismissed or withdrawn, or an adverse judgment was reversed upon appeal, and such action or proceeding may not be recommenced. Attorney's fees of separate counsel retained in accordance with this paragraph will be paid only upon the audit of an appropriate School District officer.

(Section 3.2)

Application of Loan Proceeds and Unspent Proceeds

(A) To the extent the proceeds of the Loan are to be used to pay costs of issuance of Authority Bonds or School District Bonds or any amounts payable to the Authority under the Agreement, the portion of the proceeds to be so used will be held on deposit with the Trustee for the account of the School District. Amounts so deposited will be invested and disbursed in accordance with the Master Resolution and the Series Resolution.

(B) To the extent the proceeds of the Loan are to be used to refinance the Refunded Obligations, the Authority will direct the Trustee to pay the Refunded Obligations or to deposit the portion of the proceeds to be so used in a separate account established with the Bank (not commingled with any other funds of the School District) to pay the Refunded Obligations as they become due. Amounts in such account will be invested as directed by the Authority in Government Obligations. Earnings, if any, on such amounts will be credited against amounts due from the School District pursuant to the Agreement. The School District covenants and agrees to pay directly to the paying agent for the Refunded Obligations any principal and/or interest due on the Refunded Obligations on their redemption date in excess of the amount held pursuant to the Financing Agreement for the payment of the Refunded Obligations.

(C) To the extent that the proceeds of the Loan are to be used to finance the Project, they will be maintained in a separate account established with the Bank (not commingled with any other funds of the School District) pursuant to Section 165.00 of the Local Finance Law and Sections 10 and 11 of the General Municipal Law and maintained in accordance with the provisions of the Arbitrage and Use of Proceeds Certificate. Amounts in such account will be invested as directed by the School District in accordance with the General Municipal Law. Earnings, if any, on such amounts will be credited against amounts due from the School District pursuant to the Agreement. Disbursements will be made from such account upon delivery to the Bank of a written requisition of the School District stating that such disbursement is (1) for payment to the School District for the reimbursement of costs of the Project previously paid by the School District or (2) for direct payment of Project costs, accompanied by copies of the invoice(s) to be paid.

(D) The School District expressly acknowledges and agrees that, with respect to any remaining unspent proceeds of the Refunded Obligations, either (i) such proceeds are required for the completion of the Project and the School District will, prior to issuance of the Authority Bonds, unless otherwise directed or agreed to by the Authority, transfer any remaining unspent proceeds of the Refunded Obligations to the account established pursuant to subsection (C) above to be applied in accordance with such subsection or (ii) to the extent that the unspent proceeds of the Refunded Obligations are not needed to complete the Project the School District will, unless otherwise directed by the Authority, transfer any remaining unspent proceeds of the Refunded Obligations to the account established pursuant to subsection (B) above to be applied in accordance with such subsection.

(E) The School District expressly acknowledges and agrees that the Authority will have the right to obtain and review the records of the Bank relating to accounts established for the School District pursuant to the Agreement and hereby authorizes the Bank to deliver copies of such records to the Authority upon request of the Authority. The School District covenants and agrees to maintain records with respect to the Project costs for a period of not less than three (3) years subsequent to the maturity or earlier redemption of the Authority Bonds and expressly acknowledges and agrees to provide copies of such records to the Authority upon request.

(Section 3.4)

Effective Date and Term

The date of the Agreement is for reference purposes only and the Agreement will become effective upon the date of execution and delivery of the Agreement, will remain in full force and effect from such date and will expire on such date as all Authority Bonds are discharged and satisfied in accordance with the provisions thereof and all obligations of the School District to the Authority are satisfied.

(Section 3.5)

Trustee; Investment of Loan Proceeds and School District Bond Prepayments

The School District authorizes the Trustee to invest, in accordance with instructions of the Authority, amounts that are held by the Trustee for the account of the School District in accordance with the provisions of the Master Resolution. The School District acknowledges that the Authority and the Trustee will not be liable or responsible for any loss, direct or indirect, resulting from any investment authorized by the Master Resolution and the Agreement or from the redemption, sale or maturity of any such investment as therein authorized or from any depreciation in value of any such investment.

(Section 3.7)

Authorization to Acquire Investments

The School District authorizes the Authority to acquire the investments, if any, required by the Agreement, including forward purchase contracts.

(Section 3.9)

Application of Interest Earnings

The Authority agrees that it will cause to be deposited in the Debt Service Fund the interest earned and paid on the investment of moneys in the Debt Service Fund. Pursuant to the Master Resolution, the Authority agrees that, so long as no event of default has occurred under the Agreement, the Authority will pay to the School District annually the School District's Allocable Portion (as determined by the Authority) of excess amounts in the Debt Service Fund described in the Resolution.

(Section 3.10)

Compliance with Laws and Agreements

(A) Compliance. The School District agrees that the Project will at all times during the term of any Loan be in compliance with applicable federal and State laws and regulations. The School District will at all times construct and operate (or cause to be constructed and operated) the Project, in compliance with all applicable federal, State and local laws, ordinances, rules, regulations (including approvals of the State Education Department) and the Agreement, and with all other applicable laws and regulations to the extent necessary to ensure the availability of the Project for its intended purposes and to ensure the safety of the public.

(B) SEQRA. The School District certifies with respect to the Project that it has complied, and agrees to continue to comply, with all requirements of the State Environmental Quality Review Act.

(Section 4.1)

No Warranty Regarding Condition, Suitability or Cost of Project

The Authority makes no warranty, either express or implied, as to the Project or its condition or that it is suitable for the School District's purposes or needs, or that the proceeds of the Loan are sufficient to pay the costs of the Project. Nothing in the Agreement will relieve the School District of its responsibility to properly plan, design, build and effectively operate and maintain the Project as required by laws, regulations, permits and good management practices. The School District acknowledges and agrees that the Authority or its representatives are not responsible for increased costs resulting from defects in the plans, design drawings and specifications or other Project documents.

(Section 4.2)

Construction of Project

(A) Construction. To the extent, if any, that the Project is not yet complete, the School District agrees to ensure that the Project is constructed expeditiously.

(B) Completion Certificate. To the extent, if any, that the Project is not yet complete, the School District will deliver to the Authority a certificate of the School District stating that the Project has been completed in accordance with the Agreement within seven (7) Business Days following such completion.

(Section 4.3)

Application of Loan Proceeds

The School District will apply the proceeds of the Loan solely as provided in the Agreement.

(Section 5.1)

Tax Covenant

The School District covenants that it will not take any action or inaction, nor fail to take any action or permit any action to be taken, with respect to the Project or the portion of the proceeds of the Authority Bonds made available to it as part of the Loan including amounts treated as proceeds of the Authority Bonds for any purpose of Section 103 of the Code, if any such action or inaction would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Authority Bonds under Section 103 of the Code. This provision will control in case of conflict or ambiguity with any other provision of the Agreement. Without limiting the generality of the foregoing, the School District covenants that it will comply with the instructions and requirements of the Arbitrage and Use of Proceeds Certificate, which is fully incorporated into the Agreement. The School District covenants that it will not take any action or inaction, nor fail to take any action or permit any action to be taken, if any such action or inaction, which, assuming the School District Bonds were issued as bonds the interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code, would cause the School District Bonds to be "private activity bonds," "private loan bonds," "arbitrage bonds" or "prohibited advance refunding bonds" within the meaning of Sections 141, 148 or 149 of the Code. The School District (or any related party within the meaning of Treasury Regulation Section 1.150-1(b)) will not, pursuant to an arrangement, formal or informal, purchase Authority Bonds in an amount related to the amount of any obligation to be acquired from the School District by the Authority. The School District will, on a timely basis, provide the Authority with all necessary information and funds to the extent required to enable the Authority to comply with the arbitrage and rebate requirements of the Code.

(Section 5.2)

Covenant as to Restrictions on Religious Use

The School District agrees that with respect to the Project or any portion thereof, so long as the Project or portion thereof exists and unless and until the Project or portion thereof is sold for the fair market value thereof, the Project or, any portion thereof will not be used for sectarian religious instruction or as a place of religious worship or in connection with any part of a program of a school or department of divinity for any religious denomination; provided, however, that the foregoing restriction will not prohibit the free exercise of any religion and will not restrict or inhibit compliance with the Equal Access Act, 20 U.S.C. Sections 4071-4074; and, further provided, however, that if at any time hereafter, in the opinion of Bond Counsel, the then applicable law would permit the Project or a portion thereof to be used without regard to the above stated restriction, said restriction will not apply to the Project or any portion thereof. The Authority and its agents may conduct such inspections as the Authority deems necessary to determine whether the Project or any portion of real property thereof refinanced by the Authority Bonds is being used for any purpose proscribed under the Agreement. The School District further agrees that prior to any disposition of any portion of the Project for less than fair market value, it will execute and record in the appropriate real property records an instrument subjecting, to the satisfaction of the Authority, the use of such portion of the Project to the restriction that (i) so long as such portion of the Project (and, if included in the Project, the real property on or in which such portion of the Project is situated) will exist and (ii) until such portion of the Project is sold or otherwise transferred to a person who purchases the same for the fair market value thereof at the time of such sale or transfer, such portion of the Project will not be used for sectarian religious instruction or as a place of religious worship or used in connection with any part of the program of a school or department of divinity of any religious denomination. The instrument containing such restriction will further provide that such restriction may be enforced at the instance of the Authority or the Attorney General of the State, by a proceeding in any court of competent jurisdiction, by injunction, mandamus or by other appropriate remedy. The instrument containing such restriction will also provide that if at any time thereafter, in the opinion of Bond Counsel, the then applicable law would permit such portion of the Project, or, if included in the Project, the real property on or in which such portion is situated, to be used without regard to the above stated restriction, then said restriction will be without any force or effect. For the purposes of the Agreement an involuntary transfer or disposition of the Project or a portion thereof, upon foreclosure or otherwise, will be considered a sale for the fair market value thereof.

(Section 5.3)

Payment of School District Bonds

The School District covenants and agrees that it will duly and punctually pay or cause to be paid the principal installments or redemption price of its School District Bonds and the interest thereon, at the dates and places and in the manner stated in such School District Bonds and in accordance with the section of the Agreement described above under the heading "Loan Clauses" hereof and that such obligation will not be subject to any defense (other than payment) or any rights of setoff, recoupment, abatement, counterclaim or deduction and will be without any rights of suspension, deferment, diminution or reduction it might otherwise have against the Authority, the Trustee or the owner of any Authority Bond.

(Section 5.4)

Actions Regarding State Aid

The School District covenants and agrees that it will submit to the State all documentation required by the State as a condition to the payment of any State aid in sufficient time to permit such aid to be paid on its scheduled payment date.

(Section 5.5)

Defaults

An "event of default" or a "default" under the Agreement means any one or more of the following events: (a) Failure by the School District to pay or cause to be paid when due the amounts to be paid under the School District Bonds; (b) Failure by the School District to pay or to cause to be paid when due any other payment required to be made under the Agreement which failure continues for a period of thirty (30) days after payment thereof was due, provided that written notice thereof has been given to the School District not less than thirty (30) days prior to the due date thereof; (c) Failure by the School District to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subparagraphs (a) and (b) of this paragraph, which failure continues for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the School District by the Authority or such longer period, as is required to cure such default, if by reason of the nature of such failure the same cannot be remedied within such thirty (30) day period and the School District has within such thirty (30) day period commenced to take appropriate actions to remedy such failure and is diligently pursuing such actions; (d) Any representation or warranty of the School District contained in the Agreement shall have been at the time it was made untrue in any material respect; or (e) The School District generally does not pay its debts as such debts become due, or admits in writing its inability to pay its debts generally, or makes a general assignment for the benefit of creditors; or any proceeding is instituted by or against the School

District seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it for any substantial part of its property; or the School District authorizes any of the actions set forth above in this subparagraph (e).

(Section 6.1)

Remedies

Whenever any event of default referred to in the Agreement described under the heading "Defaults" shall have happened and is continuing, the Authority may take whatever action at law or in equity may appear necessary or desirable to collect the payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the School District, including requiring payment to the Trustee of any public funds otherwise payable to the School District by the State of New York as provided in the Memorandum of Understanding, the exercise of any remedy authorized by Article VIII of the State Constitution with respect to obtaining payment on the School District Bonds and any other administrative enforcement action and actions for breach of contract.

(Section 7.1)

No Remedy Exclusive

No remedy is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and in addition to every other remedy given under the Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it, it will not be necessary to give any notice, other than such notice as may be expressly required by the Agreement.

(Section 7.2)

Waiver and Non-Waiver

In the event any agreement is breached by either party and thereafter waived by the other party, such waiver will be limited to the particular breach so waived and will not be deemed to waive any other breach under the Agreement. No delay or omission by the Authority to exercise any right or power accruing upon default will impair any right or power or will be construed to be a waiver of any such default or acquiescence therein.

(Section 7.3)

Amendments, Supplements and Modifications

The Agreement may not be amended, supplemented or modified except by a written instrument executed by the Authority and the School District and, if such amendment occurs after the issuance of the Authority Bonds, upon compliance with the provisions of the Master Resolution.

(Section 8.4)

Further Assurances; Disclosure of Financial Information, Operating Data and Other Information

(A) The School District will, at the request of the Authority, authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be deemed necessary or desirable by the Authority, in its sole discretion, for better assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by the Agreement and the School District Bonds. The School District also agrees to furnish to the Authority such additional information concerning the financial condition of the School District as the Authority may from time to time reasonably request.

(B) Without limiting the generality of the foregoing, the School District agrees to comply with the terms of the Continuing Disclosure Agreement.

(C) If and so long as the offering of the Authority Bonds continues (a) the School District will furnish such information with respect to itself as the Underwriters of the Authority Bonds may from time to time reasonably request and (b) if any event relating to the School District occurs as a result of which it is necessary, in the opinion of Bond Counsel to the Authority, General Counsel of the Authority or counsel for such Underwriters, to amend or supplement the Official Statement of the Authority used in connection with the offering of the Authority Bonds in order to make such information not misleading in light of the circumstances then existing, the School District will forthwith prepare and furnish to the Authority and the Underwriters such information relating to the School District as may be necessary to permit the preparation of an amendment of or supplement to such Official Statement (in form and substance satisfactory to the Bond Counsel to the Authority and counsel for the Underwriters) which will amend or supplement such Official Statement so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make statements therein, in light of the circumstances then existing, not misleading. Unless the School District has been notified to the contrary in writing by the Authority or the Underwriters, the School District is entitled to presume that the offering by the Authority and that its obligations under this paragraph have ceased twenty-five (25) days after the date of delivery of the Authority Bonds.

(Section 8.9)

SUMMARY OF CERTAIN PROVISIONS OF THE MASTER RESOLUTION

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SUMMARY OF CERTAIN PROVISIONS OF THE MASTER RESOLUTION

The following is a brief summary of certain provisions of the Master Resolution. Such summary does not purport to be complete and reference is made to the Master Resolution for full and complete statements of such provisions. Defined terms used in the Master Resolution have the meanings ascribed to them in Appendix A or in the body of this Official Statement.

Master Resolution and Bonds Constitute Separate Contracts

With respect to each Applicable Series of Bonds, in consideration of the purchase and acceptance of any and all of the Bonds of an Applicable Series authorized to be issued under the Master Resolution and under the Applicable Series Resolution by those who hold or own the same from time to time, the Master Resolution and the Applicable Series Resolution are deemed to be and constitute a contract among the Authority, the Trustee and the Holders from time to time of such Bonds, and the pledge and assignment made in the Master Resolution and the covenants and agreements set forth to be performed by or on behalf of the Authority are for the equal and ratable benefit, protection and security of the Holders of any and all of such Bonds of an Applicable Series, all of which, regardless of the time or times of their issue or maturity, are of equal rank without preference, priority or distinction of any such Bonds of such Series over any other Bonds except as expressly provided or permitted by the Master Resolution or by the Applicable Series Resolution.

(Section 1.03)

Authorization of Each Series of Bonds

Each Series of Bonds is issued pursuant to the Master Resolution, the applicable Series Resolution and the Act.

The Bonds of the Authority will not be a debt of the State, nor will the State be liable thereon, nor will the Bonds be payable out of any funds other than those of the Authority pledged by the Master Resolution to the payment of the principal, Sinking Fund Installments, if any, and Redemption Price of and interest on the Bonds.

(Section 2.01)

Additional Bonds and Other Obligations

The Authority reserves the right to issue bonds, notes or any other obligations or otherwise incur indebtedness pursuant to other and separate resolutions or agreements of the Authority, so long as such bonds, notes or other obligations are not, or such other indebtedness is not, except as provided in the Master Resolution, entitled to a charge or lien or right prior or equal to the charge or lien created by the Master Resolution, or prior or equal to the rights of the Authority and Holders of Bonds or with respect to the moneys pledged pursuant to the Master Resolution or pursuant to an Applicable Series Resolution.

(Section 2.05)

Authorization of Redemption

Bonds subject to redemption prior to maturity will be redeemable at such times, at such Redemption Prices and upon such terms as may be specified in the Master Resolution or in the Applicable Series Resolution authorizing their issuance or the Applicable Bond Series Certificate.

(Section 4.01)

Redemption at Election of the Authority

The Series, maturities and principal amounts of the Bonds to be redeemed at the election or direction of the Authority will be determined by the Authority in its sole discretion, subject to any limitations with respect thereto contained in the Master Resolution or in the Series Resolution authorizing such Series or the Applicable Bond Series Certificate.

(Section 4.02)

Selection of Bonds to Be Redeemed

Unless otherwise provided in the Series Resolution authorizing the issuance of Bonds of a Series or the Bond Series Certificate relating to such Bonds, in the event of redemption of less than all of the Outstanding Bonds of like Series, maturity and tenor, the Trustee will assign to each Outstanding Bond of the Series, maturity and tenor to be redeemed a distinctive number for each unit of the principal amount of such Bond equal to the lowest denomination in which the Bonds of such Series are authorized to be issued and will select by lot, using such method of selection as it will deem proper in its discretion, from the numbers assigned to such Bonds as many numbers as, at such unit amount equal to the lowest denomination in which the Bonds of such Series are authorized to be issued for each number, will equal the principal amount of such Bonds to be redeemed. In making such selections the Trustee may draw the Bonds by lot (i) individually or (ii) by one or more groups, the grouping for the purpose of such drawing to be by serial numbers (or, in the case of Bonds of a denomination of more than the lowest denomination in which the Bonds of such Series are authorized to be issued, by the numbers assigned thereto as provided in the Master Resolution) which end in the same digit or in the same two digits. In the case, upon any drawing by groups, the total principal amount of Bonds drawn will exceed the amount to be redeemed, the excess may be deducted from any group or groups so drawn in such manner as the Trustee may determine. The Trustee may in its discretion assign numbers to aliquot portions of Bonds and select part of any Bond for redemption. The Bonds to be redeemed will be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than the lowest denomination in which the Bonds of such Series are authorized to be issued will be redeemed as will equal the lowest denomination in which the Bonds of such Series are authorized to be issued for each number assigned to it and so selected.

(Section 4.04)

Notice of Redemption

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

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

If directed in writing by any Authorized Officer of the Authority, the Trustee will also give such notice by publication thereof once in an Authorized Newspaper, such publication to be not less than thirty (30) days nor more than sixty (60) days prior to the redemption date; provided, however, that such publication shall not be a condition precedent to such redemption, and failure to so publish any such notice or a defect in such notice or in the publication thereof shall not affect the validity of the proceedings for the redemption of the Bonds.

The Trustee will (i) if any of the Bonds to be redeemed are Book Entry Bonds, mail a copy of the notice of redemption to the Depository for such Book Entry Bonds not less than thirty-five (35) days prior to the redemption, but, if notice of redemption is to be published as described in the preceding paragraph, in no event later than five (5) Business Days prior to the date of publication, and (ii) mail a copy of the notice of redemption to Kenny Information Systems Notification Service and to Standard & Poor's Called Bond Record, in each case at the most recent address therefor, or to any successor thereof.

(Section 4.05)

Payment of Redeemed Bonds

If, on the redemption date, moneys for the redemption of all Bonds or portions thereof of any like Series, maturity and tenor to be redeemed, together with interest accrued and unpaid thereon to the redemption date, are held by the Trustee and Paying Agent so as to be available therefor on such date and if notice of redemption has been mailed as stated in the Master Resolution, then, from and after the redemption date, interest on the Bonds or portions thereof so called for redemption will cease to accrue and such Bonds will no longer be considered to be Outstanding under the Master Resolution. If such moneys are not so available on the redemption date, such Bonds or portions thereof will continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

(Section 4.06)

Pledge of Revenues

The proceeds from the sale of the Bonds, the Applicable Revenues, the Authority's security interest in the Applicable Pledged Revenues, and, all funds established by the Master Resolution, other than the Applicable Arbitrage Rebate Fund, are pledged and assigned to the Trustee as security for the payment of the principal, Sinking Fund Installments, if any, and Redemption Price of and interest on the Bonds and as security for the performance of any other obligation of the Authority under the Resolution and under any Series Resolution, all in accordance with the provisions of the Master Resolution and such Series Resolution. The pledge of the Revenues relates only to the Bonds of an Applicable Series authorized by such Series Resolution and no other Series of Bonds and such pledge will not secure any such other Series of Bonds. The pledge is valid, binding and perfected from the time when the pledge attaches and the proceeds from the sale of the Bonds, the Revenues, the Authority's security interest in the Applicable Pledged Revenues and the funds and accounts established by the Master Resolution and by the Applicable Series Resolution will immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge will be valid, binding and perfected as against all parties having claims of any kind in tort, contract or otherwise against the Authority irrespective of whether such parties have notice thereof. No instrument by which such pledge is created nor any financing statement need be recorded or filed. The Bonds are special obligations of the Authority payable solely from and secured by a pledge of the proceeds from the sale of the Bonds, the Revenues, the Authority's security interest in the Applicable Pledged Revenues and the funds and accounts established by the Master Resolution, which are pledged by the Master Resolution as provided in the Master Resolution, which pledge will constitute a first lien thereon. Notwithstanding the foregoing, interest earnings on the Debt Service Fund held by the Trustee and properly allocable to one School District may not be used to make up a deficiency caused by the failure of another School District to pay its Basic Debt Service Payment.

(Section 5.01)

Establishment of Funds

Unless otherwise provided by the Applicable Series Resolution, the following funds are authorized to be established, held and maintained for each Applicable Series by the Trustee under the Applicable Series Resolution separate from any other funds established and maintained pursuant to any other Series Resolution:

Construction Fund;
Debt Service Fund; and
Arbitrage Rebate Fund.

Accounts and sub-accounts within each of the foregoing funds may from time to time be established in accordance with an Applicable Series Resolution, an Applicable Bond Series Certificate or upon the direction of the Authority. All moneys at any time deposited in any fund created by the Master Resolution, other than the Applicable Arbitrage Rebate Fund, will be held in trust for the benefit of the Holders of the Applicable Series of Bonds, but will nevertheless be disbursed, allocated and applied solely in connection with Applicable Series of Bonds for the uses and purposes provided in the Master Resolution.

(Section 5.02)

Application of Bond Proceeds

Upon the receipt of proceeds from the sale of a Series of Bonds, the Authority will apply such proceeds as specified in the Master Resolution and in the Series Resolution authorizing such Series or in the Bond Series Certificate relating to such Series.

Accrued interest, if any, received upon the delivery of a Series of Bonds will be deposited in the Debt Service Fund unless all or any portion of such amount is to be otherwise applied as specified in the Series Resolution authorizing such Series or the Bond Series Certificate relating to such Series.

(Section 5.03)

Application of Moneys in the Construction Fund

A separate Construction Fund is established by each Series Resolution and separate Construction Accounts are established therein with respect to each School District for whose benefit such Series of Bonds is issued. As soon as practicable after the delivery of each Series of Bonds, there will be deposited in the Applicable Construction Account the amount required to be deposited therein pursuant to the Series Resolution authorizing such Series or the Bond Series Certificate relating to such Series. In addition, the Authority will deposit in the Applicable Construction Account any moneys paid to the Authority for the acquisition, construction, reconstruction, rehabilitation or improvement of any Project, including without limitation, the equity contribution, if any, provided by a School District. Moneys deposited in the Construction Account will be used only to pay the Costs of Issuance of the Bonds and the Costs of the Applicable Project.

(Section 5.04)

Deposit and Allocation of Revenues

Except as provided in the Applicable Series Resolution or Bond Series Certificate, the Applicable Revenues and any other moneys which, by any of the provisions of the Applicable Agreement, are required to be deposited in the Applicable Debt Service Fund, will upon receipt by the Trustee be deposited to the credit of the appropriate account in the Applicable Debt Service Fund. To the extent not required to pay, (a) the School District's Allocable Portion of the interest becoming due on Outstanding Bonds of the Applicable Series on the next succeeding interest payment date or dates of such Bonds; (b) the School District's Allocable Portion of the amount necessary to pay the principal and Sinking Fund Installments becoming due on the Applicable Series of Outstanding Bonds; and (c) moneys which are required or have been set aside for the redemption of Bonds of the Applicable Series, moneys in the Applicable Debt Service Fund will be paid by the Trustee on or before the business day preceding each Interest Payment Date to the Authority, unless otherwise paid, such amounts as are payable to the

Authority relating to such Series for: (i) any expenditures of the Authority for fees and expenses of auditing, and fees and expenses of the Applicable Trustee and Paying Agents, all as required hereby, (ii) all other expenditures reasonably and necessarily incurred by the Authority in connection with the financing of the Applicable Project, including expenses incurred by the Authority to compel full and punctual performance of all the provisions of the Applicable Agreement in accordance with the terms thereof, and (iii) any fees of the Authority; but only upon receipt by the Trustee of a certificate of the Authority, stating in reasonable detail the amounts payable to the Authority.

After making the payments required by the preceding paragraph, any balance remaining on the immediately succeeding Interest Payment Date will be paid by the Trustee upon and in accordance with the direction of the Authority to each of the respective Applicable School Districts in the respective amounts set forth in such direction, free and clear of any pledge, lien, encumbrance or security interest created by the Master Resolution or by any of the Agreements.

(Section 5.05)

Debt Service Fund

Except as provided in the Applicable Series Resolution or Bond Series Certificate, the Trustee will on or before the Business Day preceding each Interest Payment Date pay to itself and any other Paying Agent out of the Applicable Debt Service Fund:

(a) the School District's Allocable Portion of the interest due and payable on all Outstanding Bonds of the Applicable Series on such Interest Payment Date;

(b) the School District's Allocable Portion of the principal amount due and payable on all Outstanding Bonds of the Applicable Series on such Interest Payment Date; and

(c) the School District's Allocable Portion of the Sinking Fund Installments or other amounts related to a mandatory redemption, if any, due and payable on all Outstanding Bonds of the Applicable Series on such Interest Payment Date.

The amounts paid out pursuant to (a), (b) and (c) above are irrevocably pledged to and applied to such payments.

Notwithstanding the above, the Authority may, at any time subsequent to the first day of any Bond Year but in no event less than forty-five (45) days prior to the succeeding date on which a Sinking Fund Installment is scheduled to be due, direct the Trustee to purchase, with moneys on deposit in the Applicable Debt Service Fund, at a price not in excess of par plus interest accrued and unpaid to the date of such purchase, Term Bonds to be redeemed from such Sinking Fund Installment.

Moneys in the Applicable Debt Service Fund in excess of the amount required to pay the principal and Sinking Fund Installments of Outstanding Bonds of the Applicable Series payable during the next succeeding Bond Year, the interest on Outstanding Bonds of the Applicable Series payable on and prior to the next succeeding Interest Payment Date, and the purchase price or Redemption Price of Outstanding Bonds theretofore contracted to be purchased or called for redemption, plus accrued interest thereon to the date of purchase or redemption, will be paid or applied by the Trustee in accordance with the direction of an Authorized Officer of the Authority (i) to the purchase of Outstanding Bonds of the Applicable Series at purchase prices not exceeding the Redemption Price applicable on the next Interest Payment Date on which such Bonds are redeemable, plus accrued and unpaid interest to such date, at such times, at such purchase prices and in such manner as an Authorized Officer of the Authority will direct or (ii) to the redemption of Bonds of the Applicable Series as provided in the Master Resolution, at the Redemption Prices specified in the Applicable Series Resolution or Applicable Bond Series Certificate.

(Section 5.07)

Arbitrage Rebate Fund

The Arbitrage Rebate Fund will be maintained by the Trustee as a fund separate from any other fund established and maintained under the Master Resolution. The Trustee will deposit to the Applicable Arbitrage Rebate Fund any moneys delivered to it by the Applicable School Districts for deposit therein and, notwithstanding any other provisions of the Master Resolution, will transfer to the Arbitrage Rebate Fund, in accordance with the directions of an Authorized Officer of the Authority, moneys on deposit in any other funds held by the Trustee under the Master Resolution at such times and in such amounts as will be set forth in such directions. Within the Arbitrage Rebate Fund, the Trustee will maintain such accounts as are required by the Authority in order to comply with the terms and requirements of the Tax Certificate. All money at any time deposited in the Arbitrage Rebate Fund will be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement (as defined in the Tax Certificate), for payment to the Treasury Department of the United States of America, and the Authority or the owner of any Bonds will not have any rights in or claim to such money. The Trustee will be deemed conclusively to have complied with the provisions of the Master Resolution concerning the Arbitrage Rebate Fund and with such provisions of the Tax Certificate if it follows the directions of an Authorized Officer of the Authority including supplying all necessary written information in the manner provided in the Tax Certificate and has no liability or responsibility for compliance (except as specifically set forth in the Master Resolution or in the Tax Certificate) or to enforce compliance by the Authority with the terms of the Tax Certificate.

Upon the written direction of the Authority, the Trustee will deposit in the Arbitrage Rebate Fund funds received from the Authority, so that the balance of the amount on deposit thereto will be equal to the Rebate Requirement. Computations of the Rebate Requirement will be furnished by or on behalf of the Authority in accordance with the Tax Certificate.

The Trustee has no obligation to rebate any amounts required to be rebated pursuant to the Master Resolution, other than from moneys held in the funds and accounts created under the Master Resolution or from other moneys provided to it by the Authority.

The Trustee will invest all amounts held in the Arbitrage Rebate Fund as provided in written directions of the Authority. The Authority, in issuing such directions, will comply with the restrictions and instructions set forth in the Tax Certificate. Moneys may only be applied from the Arbitrage Rebate Fund as provided under the Master Resolution.

The Trustee, upon the receipt of written instructions and certification of the Rebate Requirement from an Authorized Officer of the Authority, will pay the amount of such Rebate Requirement to the Treasury Department of the United States of America, out of amounts in the Arbitrage Rebate Fund, as so directed.

Notwithstanding any other provisions of the Master Resolution, including in particular the section of the Master Resolution described under the heading “Tax Covenant,” the obligation to remit the Rebate Requirement to the United States of America and to comply with all other requirements of the Master Resolution concerning the Arbitrage Rebate Funds, the section of the Master Resolution described under the heading “Tax Covenant” and the Tax Certificate will survive the defeasance or payment in full of the Bonds.

(Section 5.09)

Application of Moneys in Certain Funds for Retirement of Bonds

Notwithstanding any other provisions of the Master Resolution, if at any time the amounts held in the Applicable Debt Service Fund are sufficient to pay the principal or Redemption Price of all Outstanding Bonds of the Applicable and the interest accrued and unpaid and to accrue on such Bonds to the next date of redemption when all such Bonds are redeemable, or to make provision pursuant to the section of the Master Resolution described below under the heading “Defeasance” for the payment of the Outstanding Bonds at the maturity or redemption dates thereof, the Authority may (i) direct the Trustee to redeem all such Outstanding Bonds, whereupon the Trustee will proceed to redeem or provide for the redemption of such Outstanding Bonds in the manner provided for redemption of such Bonds by the Master Resolution and by each Applicable Series Resolution as provided in the

Master Resolution, or (ii) give the Trustee irrevocable instructions and make provision for the payment of the Outstanding Bonds at the maturity or redemption dates thereof in accordance with the Master Resolution.

(Section 5.10)

Transfer of Investments

Whenever moneys in any fund or account established under the Master Resolution are to be paid in accordance with the Master Resolution to another such fund or account, such payment may be made, in whole or in part, by transferring to such other fund or account investments held as part of the fund or account from which such payment is to be made, whose value, together with the moneys, if any, to be transferred, is at least equal to the amount of the payment then to be made; provided, however, that no such transfer of investments would result in a violation of any investment standard or guideline applicable to such fund.

(Section 5.11)

Security for Deposits

All moneys held under the Master Resolution by the Trustee will be continuously and fully secured, for the benefit of the Authority and the Holders of the Applicable Series of Bonds, by direct obligations of the United States of America or obligations the principal of and interest on which are guaranteed by the United States of America of a market value equal at all times to the amount of the deposit so held by the Trustee; provided, however, (a) that if the securing of such moneys is not permitted by applicable law, then in such other manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds, and (b) that it will not be necessary for the Trustee or any Paying Agent to give security for the deposit of any moneys with them pursuant to the sections of the Master Resolution described under the headings “Debt Service Fund” and “Defeasance,” and held in trust for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price of or interest on any Bonds, or for the Trustee to give security for any moneys which will be represented by obligations purchased or other investments made under the provisions of the Master Resolution as an investment of such moneys.

(Section 6.01)

Investment of Funds and Accounts

Moneys held under the Master Resolution by the Trustee, if permitted by law, will, as nearly as may be practicable, be invested by the Trustee, upon direction of the Authority given or confirmed in writing, signed by an Authorized Officer of the Authority (which direction will specify the amount to be invested) in Government Obligations, Exempt Obligations, and, if not inconsistent with the investment guidelines of a Facility Provider or a Rating Agency applicable to funds held under the Master Resolution, any other Permitted Investment; provided, however, that each such investment will permit the moneys so deposited or invested to be available for use at the times at which the Authority reasonably believes such moneys will be required for the purposes of the Master Resolution; provided, further, that (x) any Permitted Collateral required to secure any Permitted Investment has a market value, determined by the Trustee or its agent periodically, but no less frequently than weekly, at least equal to the amount deposited or invested including interest accrued thereon, (y) the Permitted Collateral will be deposited with and held by the Trustee or an agent of the Trustee approved by an Authorized Officer of the Authority, and (z) the Permitted Collateral will be free and clear of claims of any other person.

Permitted Investments purchased as an investment of moneys in any fund or account held by the Trustee under the provisions of the Master Resolution will be deemed at all times to be a part of such fund or account and the income or interest earned, profits realized or losses suffered by a fund or account due to the investment thereof will be retained in, credited or charged, as the case may be, to such fund or account.

In computing the amount in any fund or account held by the Trustee under the provisions of the Master Resolution, each Permitted Investment will be valued at par or the market value thereof, plus accrued interest, whichever is lower.

(Section 6.02)

Payment of Principal and Interest

The Authority covenants to pay or cause to be paid the principal, Sinking Fund Installments, if any, or Redemption Price of and interest on every Bond of each Series on the date and at the places and in the manner provided in the Bonds according to the true intent and meaning thereof.

(Section 7.01)

Accounts and Audits

The Authority covenants to keep proper books of records and accounts (separate from all other records and accounts), which may be kept on behalf of the Authority by the Trustee, in which complete and correct entries will be made of its transactions relating to each Series of Bonds, which books and accounts, at reasonable hours and subject to the reasonable rules and regulations of the Authority, will be subject to the inspection of the Trustee, the Applicable School Districts or of any Holder of a Bond or his representative duly authorized in writing. The Trustee will annually prepare a report which will be furnished to the Authority, each Facility Provider, each Credit Facility Issuer and the Applicable School Districts. Such report will include at least: a statement of all funds and accounts (including investments thereof) held by such Trustee and the Authority pursuant to the provisions of the Master Resolution and of each Applicable Series Resolution; a statement of the Applicable Revenues collected from each Applicable School District in connection with the Master Resolution and with each Applicable Series Resolution; and complete and correct entries of all transactions relating to an Applicable Series of Bonds. A copy of such report, will, upon receipt of a written request therefor, and payment of any reasonable fee or charge made in connection therewith, be furnished to the registered owner of a Bond of the Applicable Series or any beneficial owner of a Book Entry Bond of the Applicable Series requesting the same.

(Section 7.05)

Creation of Liens

The Authority covenants not to create or cause to be created any lien or charge prior or equal to that of the Bonds of an Applicable Series on the proceeds from the sale of the Bonds, the Applicable Revenues, the Applicable Pledged Revenues or the funds and accounts established by the Master Resolution or by any Applicable Series Resolution which are pledged by the Master Resolution; provided, however, that nothing contained in the Master Resolution will prevent the Authority from issuing bonds, notes or other obligations under another and separate resolution so long as the charge or lien created by such resolution is not prior or equal to the charge or lien created by the Master Resolution; and provided further, that if the Authority has issued more than one Series of Bonds for the benefit of a School District and the public funds pledged under the Applicable Agreements are insufficient to pay in full all Basic Debt Service Payments then due under all of the Agreements to which such School District is a party, then as provided in the Memorandum of Understanding the Comptroller will pay a proportionate share of such available public funds to each Applicable Trustee.

(Section 7.06)

Enforcement of Obligations of the School District

Pursuant to the Applicable Agreement and the Applicable School District Bonds, the Authority covenants to take all legally available action to cause a School District to perform fully its obligation to pay Basic Debt Service Payment and other amounts which under the Applicable Agreement are to be paid to the Trustee, in the manner and at the times provided in the Applicable Agreement provided, however, that the Authority may delay, defer or waive enforcement of one or more provisions of said Agreement (other that 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 the Master Resolution, as theretofore in effect, or to modify any of the provisions of the Master Resolution or of any previously adopted Applicable Series Resolution or Supplemental Resolution in any other respect, provided that such modification will not adversely affect the interests of the Bondholders of the Applicable Series in any material respect.

(Section 9.02)

Supplemental Resolutions Effective with Consent of Bondholders

The provisions of the Master Resolution may also be modified or amended at any time or from time to time by a Supplemental Resolution, subject to the consent of the Bondholders in accordance with and subject to the provisions of the Master Resolution, such Supplemental Resolution to become effective upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority.

(Section 9.03)

General Provisions Relating to Series Resolutions and Supplemental Resolutions

The Master Resolution will not be modified or amended in any respect except in accordance with and subject to the provisions of the Master Resolution. Nothing contained in the Master Resolution will affect or limit the rights or obligations of the Authority to adopt, make, do, execute or deliver any resolution, act or other instrument pursuant to the provisions of the Master Resolution or the right or obligation of the Authority to execute and deliver to the Trustee or any Paying Agent any instrument elsewhere in the Master Resolution provided or permitted to be delivered to the Trustee or any Paying Agent.

A copy of every Series Resolution and Supplemental Resolution adopted by the Authority, when filed with the Trustee, will be accompanied by an opinion of Bond Counsel stating that such Series Resolution or Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the Master Resolution, is authorized or permitted by the Master Resolution and is valid and binding upon the Authority and enforceable in accordance with its terms.

The Trustee is authorized to accept delivery of a certified copy of any Series Resolution or Supplemental Resolution permitted or authorized pursuant to the provisions of the Master Resolution and to make all further agreements and stipulations which may be contained therein, and, in taking such action, the Trustee will be fully protected in relying on the opinion of Bond Counsel that such Series Resolution or Supplemental Resolution is authorized or permitted by the provisions of the Master Resolution.

No Series Resolution or Supplemental Resolution changing, amending or modifying any of the rights or obligations of the Trustee or of any Paying Agent will become effective without the written consent of the Trustee or Paying Agent affected thereby.

(Section 9.04)

Powers of Amendment

Any modification or amendment of the Master Resolution and of the rights and obligations of the Authority and of the Holders of the Bonds under the Master Resolution, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in the section of the Master Resolution described below under the heading "Consent of Bondholders," (i) of the Holders of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given, or (ii) in case the modification or amendment changes the amount or date of any Sinking Fund Installment, of the Holders of at least a majority in principal amount of the Bonds of the particular Series, maturity and interest rate entitled to such Sinking Fund Installment, Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series, maturity and tenor remain Outstanding, the consent of the Holders of such Bonds will not be required and such Bonds will not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds described under this heading. No such modification or amendment will permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or will reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment.

(Section 10.01)

Consent of Bondholders

The Authority may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of the Master Resolution to take effect when and as provided in the Master Resolution. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Trustee) together with a request to the Bondholders for their consent thereto in form satisfactory to the Trustee, will promptly after adoption be mailed by the Authority to the Bondholders (but failure to mail such copy and request to any particular Bondholder will not affect the validity of the Supplemental Resolution when consented to as provided in the Master Resolution). Such Supplemental Resolution will not be effective unless and until (i) there has been filed with the Trustee (a) the written consent of the Holders of the percentages of Outstanding Bonds specified in the section of the Master Resolution described above under the heading "Powers of Amendment" and (b) an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Authority in accordance with the provisions of the Master Resolution, is authorized or permitted by the Master Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms, and (ii) a notice has been mailed as provided in the Master Resolution. Each such consent will be effective only if accompanied by proof of the holding or owning at the date of such consent, of the Bonds with respect to which such consent is given, which proof will be such as is permitted by the Master Resolution. A certificate or certificates by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with the Master Resolution will be conclusive proof that the consents have been given by the Holders of the Bonds described in the certificate or certificates of the Trustee. Any consent given by a Bondholder will be binding upon the Bondholder giving such consent and, anything in the Master Resolution to the contrary notwithstanding, upon any subsequent Holder of such Bond and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by the Bondholder giving such consent or a subsequent Holder thereof by filing such revocation with the Trustee, prior to the time when the written statement of the Trustee is filed. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages of Bonds have filed their consents to the Supplemental Resolution, the Trustee will make and file with the Authority and the Trustee a written statement that such Holders of such required percentages of Bonds have filed such consents. Such written statement will be conclusive that such consents have been so filed. At any time thereafter a notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Authority on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages of Bonds and will be effective as provided in this paragraph, will be given to the Bondholders by the Authority by mailing such notice to the Bondholders and, at the discretion of the Authority, by publishing the same at least once not more than ninety (90) days after the Holders of the required percentages of Bonds have filed their consents to the Supplemental Resolution and the written statement of the Trustee provided for above is filed (but failure to publish such notice will not prevent such Supplemental Resolution from becoming effective and binding as in this paragraph provided). The Authority will file with the Trustee proof of the mailing of such notice, and, if the same has been published, of the publication thereof.

For the purposes of the Master Resolution, the purchasers of the Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase from the Authority, may consent to a modification or amendment permitted by the sections of the Master Resolution described herein the headings "Powers of Amendment" or "Modifications by Unanimous Consent" in the manner provided in the Master Resolution, except that no proof of ownership will be required, and with the same effect as a consent given by the Holder of such Bonds; provided, however, that, if such consent is given by a purchaser who is purchasing as an underwriter or for resale, the nature of the modification or amendment and the provisions for the purchaser consenting thereto will be described in the official statement, prospectus, offering memorandum or other offering document prepared in connection with the primary offering of the Bonds of such Series by the Authority.

(Section 10.02)

Modifications by Unanimous Consent

The terms and provisions of the Master Resolution and the rights and obligations of the Authority and of the Holders of the Bonds may be modified or amended in any respect upon the adoption and filing with the Trustee by the Authority of a copy of a Supplemental Resolution certified by an Authorized Officer of the Authority and the consent of the Holders of all of the Bonds then Outstanding, such consent to be given as provided in the section of the Master Resolution described above under the heading "Consent of Bondholders," except that no notice to the Bondholders either by mailing or publication will be required.

(Section 10.03)

Consent of Facility Provider

Whenever by the terms of the Master Resolution the consent of any of the Holders of the Bonds to a modification or amendment of the Master Resolution made by a Series Resolution or Supplemental Resolution is required, such modification or amendment will not become effective until the written consent of each Facility Provider has been obtained; provided, however, that the consent of a Facility Provider which has provided a Credit Facility will not be required unless the modification or amendment requires the consent of the Holders of any percentage in principal amount of Outstanding Bonds or of the Holders of any percentage in principal amount of the Bonds of the Series in connection with which such Credit Facility was provided. No modification or amendment of the Master Resolution which adversely affects a Facility Provider will be made without the written consent thereto of the Facility Provider affected thereby. Notice of the adoption of any such Series Resolution or Supplemental Resolution and of the effectiveness of the modification or amendment made thereby will be given to each Facility Provider by mail at the times and in the manner provided in the Master Resolution with respect to notices thereof required to be given to the Holders of the Bonds. Notice thereof will also be given to each Rating Service as soon as practical after adoption of such Supplemental Resolution and of the effectiveness thereof.

(Section 10.04)

Events of Default

Events of Default under the Master Resolution include: failure by the Authority to pay the principal, Sinking Fund Installments or Redemption Price of any Bond when the same will become due and payable; failure by the Authority to pay an installment of interest on any Bond when the same will become due and payable; the Authority defaults in the due and punctual performance of the tax covenants contained in the Series Resolution and, as a result thereof, the interest on the Bonds of a Series is no longer excludable from gross income under Section 103 of the Code (a "Taxability Default"); and default by the Authority in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Master Resolution or in the Bonds or in any Series Resolution on the part of the Authority to be performed and such default continues for thirty (30) days after written notice specifying such default and requiring same to be remedied has been given to the Authority by the Trustee, which may give such notice in its discretion and must give such notice at the written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds, unless, if such default is not capable of being cured within thirty (30) days, the Authority has commenced to cure such default within said thirty (30) days and diligently prosecutes the cure thereof.

(Section 11.02)

Enforcement of Remedies

Upon the happening and continuance of any Event of Default specified in the section of the Master Resolution described above under the heading "Events of Default," then and in every such case, the Trustee may proceed, and upon the written request of the Applicable Facility Provider or the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of the Applicable Series (in each case with the consent of the Facility Provider for such Series) or, in the case of a happening and continuance of a Taxability Default, upon the written request of the Applicable Facility Provider or the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of the Series affected thereby with the consent of the Facility Provider for such Series, will proceed (upon receiving compensation, expenses and indemnity to its satisfaction), to protect and enforce its rights and the rights of the Bondholders or of such Facility Provider under the

Master Resolution or under any Series Resolution or under the laws of the State by such suits, actions or special proceedings in equity or at law, as the Trustee deems most effectual to protect and enforce such rights.

(Section 11.04)

Limitation of Rights of Individual Bondholders

No Holder of any of the Bonds has any right to institute any suit, action or proceeding in equity or at law for the execution of any trust under the Master Resolution, or for any other remedy under the Master Resolution unless such Holder previously has given to the Trustee written notice of the event of default on account of which such suit, action or proceeding is to be instituted, and unless also the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds or, in the case of a Taxability Default, the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds of the Series affected thereby, has made written request to the Trustee after the right to exercise such powers or right of action, as the case may be, has accrued, and have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Master Resolution or to institute such action, suit or proceeding in its or their name, and unless, also, there has been offered to the Trustee reasonable security and indemnity against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee has refused or neglected to comply with such request within a reasonable time.

(Section 11.08)

Defeasance

If the Authority pays or causes to be paid to the Holders of Bonds of an Applicable Series the principal, Sinking Fund Installments, if any, or Redemption Price of and interest thereon, at the times and in the manner stipulated therein, in the Master Resolution, and in the Applicable Series Resolution and Bond Series Certificate, then the pledge of the Revenues or other moneys and securities pledged to such Bonds and all other rights granted by the Master Resolution to such Holders of Bonds will be discharged and satisfied.

Notwithstanding any provision of the Master Resolution to the contrary, if any School District prepays the amounts due under its Agreement and in accordance therewith pays or causes to be paid its Allocable Portion of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, and interest on the Bonds or portions thereof applicable to such Agreement at the times and in the manner stipulated therein, in the Master Resolution, and in the Applicable Series Resolution and the Applicable Bond Series Certificate, then the pledge of the Revenues or other moneys and securities pledged with respect to such Agreement or any portion thereof and all other rights granted under such Agreement will be discharged and satisfied. In such event, the Trustee will, upon the request of the Authority, execute and deliver such documents to evidence such discharge and satisfaction as may be reasonably required by the School District, and the Authority, and all moneys or other Securities held by it pursuant hereto and to a Series Resolution which are not required for the payment or redemption of its Allocable Portion of the Bonds of such Series to be defeased or any portion thereof not theretofore surrendered for such payment or redemption will be paid or delivered by the Trustee as follows: first, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of the Authority; second, to the Authority the amount certified by the Authority to be then due or past due pursuant to the Applicable Agreement to be prepaid for fees and expenses of the Authority or pursuant to any indemnity; and, then, the balance thereof to the School District. Such moneys or investments so paid or delivered will be released from any trust, pledge, lien, encumbrance or security interest created hereby, by a Series Resolution or by such Agreement.

Bonds for the payment or redemption of which moneys have been set aside and are held in trust by the Trustee (through deposit of moneys for such payment or redemption or otherwise) at the maturity or redemption date thereof will be deemed to have been paid within the meaning and with the effect expressed in the paragraph above. All Outstanding Bonds of any Series or any maturity within a Series or a portion of a maturity within a Series will prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in the paragraph above if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Authority has given to the Trustee, in form satisfactory to it, irrevocable instructions to give as provided in the Master Resolution notice of redemption on said date of such Bonds, (b) there has been deposited with the Trustee either moneys in an amount which will be sufficient, or Defeasance Securities the principal of and interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, will be sufficient to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (c) the Trustee has received the written consent of each Facility Provider which has given written notice to the Trustee and the Authority that amounts advanced under a Credit Facility or Liquidity Facility issued by it or the interest thereon have not been repaid to such Facility Provider, and (d) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority has given the Trustee, in form satisfactory to it, irrevocable instructions to give, as soon as practicable, by first class mail, postage prepaid, to the Holders of said Bonds at their last known addresses appearing on the registration books, a notice to the Holders of such Bonds that the deposit required by (b) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this paragraph and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on said Bonds. The Authority will give written notice to the Trustee of its selection of the Series and maturity payment of which will be made in accordance with this paragraph. The Trustee will select the Bonds of like Series and maturity payment of which will be made in accordance with the Master Resolution. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this paragraph nor principal or interest payments on any such Defeasance Securities will be withdrawn or used for any purpose other than, and will be held in trust for, the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on said Bonds; provided, however, that any moneys received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, must, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be.

(Section 12.01)

No Recourse under Master Resolution or on the Bonds

All covenants, stipulations, promises, agreements and obligations of the Authority contained in the Master Resolution will be deemed to be the covenants, stipulations, promises, agreements and obligations of the Authority and not of any member, officer or employee of the Authority in his individual capacity, and no recourse will be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claims based thereon, on the Master Resolution or on a Series Resolution against any member, officer or employee of the Authority or any person executing the Bonds, all such liability, if any, being expressly waived and released by every Holder of Bonds by the acceptance of the Bonds.

(Section 14.04)

Certain Provisions Relating to Capital Appreciation Bonds and Deferred Income Bonds

For the purposes of (i) receiving payment of the Redemption Price if a Capital Appreciation Bond is redeemed prior to maturity or (ii) computing the principal amount of Bonds held by the Holder of a Capital Appreciation Bond in giving to the Authority, the School District or the Trustee any notice, consent, request, or demand pursuant to the Master Resolution for any purpose whatsoever, the then current Accreted Value of such Bond will be deemed to be its principal amount. Notwithstanding any other provision of the Master Resolution, the amount payable at any time with respect to the principal of and interest on any Capital Appreciation Bond will not exceed the Accreted Value thereof at such time. For purposes of receiving payment of the Redemption Price or principal of a Capital Appreciation Bond called for redemption prior to maturity, the difference between the Accreted Value of such Bond when the Redemption Price or principal thereof is due upon such redemption or declaration and the principal of such Bond on the date the Bonds of the Series of which it is a part were first issued will be deemed not to be accrued and unpaid interest thereon.

For the purposes of (i) receiving payment of the Redemption Price if a Deferred Income Bond is redeemed, or (ii) computing the principal amount of Bonds held by the Holder of a Deferred Income Bond in giving to the Authority or the Trustee any notice, consent, request, or demand pursuant to the Master Resolution for any purpose whatsoever, the then current Appreciated Value of such Bond will be deemed to be its principal amount. Notwithstanding any other provision of the Master Resolution, the amount payable at any time prior to the Interest

Commencement Date with respect to the principal of and interest on any Deferred Income Bond will not exceed the Appreciated Value thereof at such time. For purposes of receiving payment prior to the Interest Commencement Date of the Redemption Price or principal of a Deferred Income Bond called for redemption prior to maturity, the difference between the Appreciated Value of such Bond when the Redemption Price or principal thereof is due upon such redemption or declaration and the principal of such Bond on the date the Bonds were first issued will be deemed not to be accrued and unpaid interest thereon.

(Section 14.07)

FORM OF APPROVING OPINION
OF BOND COUNSEL

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Form of Approving Opinion of Bond Counsel

[Letterhead of Hiscock & Barclay, LLP]

December 15, 2011

Dormitory Authority of the
State of New York
515 Broadway
Albany, New York 12207

Re: $134,400,000 Dormitory Authority of the State of New York School Districts Revenue Bond Financing Program Revenue Bonds, $13,495,000 Series 2011E (the "Series 2011E Bonds"), $12,300,000 Series 2011F (the "Series 2011F Bonds"), $32,685,000 Series 2011G (the "Series 2011G Bonds") and $75,920,000 Series 2011H (the "Series 2011H 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 $134,400,000 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 applicable Series Resolutions Authorizing up to $500,000,000 School Districts Revenue Bond Financing Program Revenue Bonds (the "Series 2011 Resolutions"), adopted September 21, 2011. The Master Resolution and the Series 2011 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 2011E Bonds, the Authority has entered into Financing Agreements, dated as of October 1, 2011 (the "Series 2011E Financing Agreements"), with the school districts identified on Schedule A (the "Series 2011E School Districts") providing, among other things, for a loan to the Series 2011E School Districts for the purposes permitted thereby and by the Master Resolution and the applicable Series 2011 Resolution. With respect to the Series 2011F Bonds, the Authority has entered into Financing Agreements, dated as of October 1, 2011 (the "Series 2011F Financing Agreements"), with the school districts identified on Schedule A (the "Series 2011F School Districts") providing, among other things, for a loan to the Series 2011F School Districts for the purposes permitted thereby and by the Master Resolution and the applicable Series 2011 Resolution. With respect to the Series 2011G Bonds, the Authority has entered into Financing Agreements, dated as of October 1, 2011 (the "Series 2011G Financing Agreement"), with the school districts identified on Schedule A (the "Series 2011G School Districts") providing, among other things, for a loan to the Series 2011G School Districts for the purposes permitted thereby and by the Master Resolution and the applicable Series 2011 Resolution. With respect to the Series 2011H Bonds, the Authority has entered into a Financing Agreement, dated as of October 1, 2011 (the "Series 2011H Financing Agreement"), with the school district identified on Schedule A (the "Series 2011H School District") providing, among other things, for a loan to the Series 2011H School District for the purposes permitted thereby and by the Master Resolution and the applicable Series 2011 Resolution. Pursuant to the Series 2011E Financing Agreements, the Series 2011E School Districts are required to make payments scheduled to be sufficient to pay the principal, sinking fund installments and redemption price of and interest on the Series 2011E 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 2011E Bonds. Pursuant to the Series 2011F Financing Agreements, the Series 2011F School Districts are required to make payments scheduled to be sufficient to pay the principal, sinking fund installments and redemption price of and interest on the Series 2011F 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 2011F Bonds. Pursuant to the Series 2011G Financing Agreements, the Series 2011G School Districts are required to make payments scheduled to be sufficient to pay the principal, sinking fund installments and redemption price of and interest on the Series 2011G 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 2011G Bonds. Pursuant to the Series 2011H Financing Agreement, the Series 2011H School District is required to make payments scheduled to be sufficient to pay the principal, sinking fund installments and redemption price of and interest on the Series 2011H 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 2011H Bonds.

The Bonds are to mature on the dates and in the years and amounts and interest on the Bonds is payable at the rates and in the amounts set forth in the respective Bond Series Certificates executed and delivered pursuant to the Resolutions.

The Bonds are to be issued in fully registered form in denominations of $5,000 or any integral multiple thereof. The Bonds are payable, subject to redemption prior to maturity, exchangeable, transferable and secured upon such terms and conditions as are contained in the Resolutions and the respective Bond Series Certificates.

In such connection, we have reviewed the Resolutions, the Financing Agreements, the Tax Certificate and Agreements of the Authority dated as of the date hereof (the "Tax Certificates"), the Arbitrage and Use of Proceeds Certificates of the School Districts dated as of the date hereof (the "Arbitrage and Use of Proceeds Certificates"), the bonds of the School Districts delivered to the Authority to secure the obligations of each respective School District under its respective Financing Agreement, opinions of counsel to the Authority, the Trustee and the School Districts, the opinions of bond counsel to the respective School Districts, certificates of the Authority, the Trustee, the School Districts and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds will be and remain excluded from gross income under Section 103 of the Code. Included among these continuing requirements are certain restrictions and prohibitions on the use of proceeds of the Bonds and the facilities financed or refinanced by such proceeds, restrictions on the investment of such proceeds and other amounts, the rebate to the United States of certain earnings with respect to investments, and required ownership by a governmental unit of the facilities financed or refinanced by the Bonds. Failure to comply with the continuing requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactive to the date of their issuance irrespective of the date on which such noncompliance occurs. In the Master Resolution, the Financing Agreements, and in other documents and certificates contained in the transcript of proceedings, the Authority and the School Districts have covenanted to comply with certain procedures, and have made certain representations and certifications, designed to assure compliance with the requirements of the Code.

In rendering the opinion set forth in paragraph 6 below, we have assumed the accuracy of certain factual certifications of, and continuing compliance with, the covenants, representations, warranties, provisions and procedures set forth in the Resolutions, the Financing Agreements, the Tax Certificates and the Arbitrage and Use of Proceeds Certificate. In the event of the inaccuracy or incompleteness of any of the certifications made by the Authority or any of the School Districts, or the failure by the Authority or any of the School Districts to comply with the covenants, representations, warranties, provisions and procedures set forth in the Resolutions, the Financing Agreements and the Tax Certificates and the Arbitrage and Use of Proceeds Certificates, interest on the Bonds could become includable in gross income for federal income tax purposes retroactive to the date of the original execution and delivery of the Bonds, regardless of the date on which the event causing such inclusion occurs. We render no opinion as to the exclusion from gross income of interest on the Bonds for purposes of federal income taxation on or after the date on which any change occurs or action is taken or omitted under the Resolutions, the Financing Agreements, the Tax Certificates and the Arbitrage and Use of Proceeds Certificates or under any other relevant documents without the advice or approval of, or upon the advice or approval of any bond counsel other than, Hiscock & Barclay, LLP. In addition, we have not undertaken to determine, or to inform any person, whether any actions taken, or not taken, or events occurring, or not occurring, after the date of issuance of the Bonds may affect the tax status of interest on the Bonds. Further, although interest on the Bonds is excluded from gross income for purposes of federal income taxation, receipt or accrual of the interest may otherwise affect the tax liability of a holder of a Bond depending upon the tax status of such holder and such holder's other items of income and deduction. Except as stated in paragraph 6 below, we express no opinion as to federal or state and local tax consequences of the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. We disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Authority. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents and certificates, and of the legal conclusions contained in the opinions, referred to above. Furthermore, we have assumed compliance with all covenants and agreements contained in the Resolutions, the Financing Agreements, the Tax Certificates and the Arbitrage and Use of Proceeds Certificates, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Resolutions, the Financing Agreements, the Tax Certificates, 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, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the foregoing documents. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no opinion with respect thereto herein.

Based on the foregoing and subject to the further assumptions and qualifications hereinafter set forth, we are of the opinion that:

1. The Authority is a body corporate and politic constituting a public benefit corporation of the State of New York, with the right and lawful authority and power to adopt the Resolutions and to issue the Bonds thereunder.

2. The Resolutions have been duly and lawfully adopted by the Authority, are in full force and effect, and constitute legal, valid and binding obligations of the Authority enforceable in accordance with their respective terms. The Master Resolution and the Series 2011 Resolutions create a valid pledge to secure the payment of the principal of and interest on the Bonds, of the Revenues and any other amounts (including proceeds of the sale of the Bonds) held by the Trustee in any fund or account established pursuant to the Master Resolution and the applicable Series 2011 Resolutions, except the Arbitrage Rebate Fund created thereby, subject to the provisions of the Master Resolution and the applicable Series 2011 Resolutions permitting the application thereof for the purposes and on the terms and conditions set forth in the Master Resolution and the applicable Series 2011 Resolutions.

3. The Bonds have been duly and validly authorized and issued in accordance with the Constitution and statutes of the State of New York, including the Act, and in accordance with the Resolutions. The Bonds are legal, valid and binding special obligations of the Authority payable solely from the sources provided therefor in the Master Resolution and the applicable Series 2011 Resolution, and will be entitled to the benefit of the Master Resolution, the applicable Series 2011 Resolution and the Act.

4. The Financing Agreements have been duly executed and delivered by the Authority and, assuming due execution and delivery thereof by the respective School Districts, constitute the valid and binding agreement of the Authority enforceable in accordance with its terms.

5. The Bonds are not a lien or charge upon the funds or property of the Authority except to the extent of the aforementioned pledge. Neither the faith and credit nor the taxing power of the State of New York or of any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. The Bonds are not a debt of the State of New York, and said State is not liable for the payment thereof.

6. Under existing statutes, regulations, rulings and court decisions, and assuming continuing compliance by the Authority and the School Districts (and their successors) with the covenants, and the accuracy of the representations (as to which we have made no independent investigation) referenced above, interest on the

Bonds is excluded from gross income for federal income tax purposes. We are also of the opinion that interest on the Bonds is not an "item of tax preference" for purposes of computing the individual and corporate alternative minimum taxes imposed under the Code; provided, however, interest on the Bonds owned by corporations will be included in the calculation of adjusted current earnings, a portion of which is an adjustment to corporate alternative minimum taxable income, for purposes of calculating the alternative minimum tax imposed on corporations.

7. The interest on the Bonds is exempt under existing statutes from personal income taxes imposed by the State of New York and its political subdivisions thereof (including The City of New York).

Other than the foregoing, we express no opinion regarding other federal or state tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

We have also examined an executed Series 2011E Bond, an executed Series 2011F Bond, an executed Series 2011G Bond and an executed Series 2011H Bond and the form of said bonds and their execution are regular and proper.

Very truly yours,

SCHEDULE A

SERIES 2011E:

Catskill Central School District

SERIES 2011F:

East Irondequoit Central School District

SERIES 2011G:

Arkport Central School District

Worcester Central School District

SERIES 2011H:

City School District of the City of Binghamton

Malone Central School District

Moriah Central School District

City School District of the City of Newburgh

City School District of the City of Oneida

Waterville Central School District

Weedsport Central School District

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SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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ASSURED GUARANTY MUNICIPAL

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

Form 500NY (5/90)

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DORMITORY AUTHORITY OF THE STATE OF NEW YORK • School Districts Revenue Bond Financing Program Revenue Bonds, Series 2011E, Series 2011F, Series 2011G and Series 2011H

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