

FINAL OFFICIAL STATEMENT

RENEWAL ISSUE

BOND ANTICIPATION NOTES

In the opinion of Hodgson Russ LLP, Albany, New York, Bond Counsel, based on existing statutes, regulations, rulings and court decisions, and assuming the accuracy of certain representations and continuing compliance with certain covenants described in "TAX MATTERS" herein, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In the further opinion of Bond Counsel, interest on the Notes is not treated as a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. Interest on the Notes will be included in the adjusted financial statement income of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel is also of the opinion that interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of or the amount, accrual, or receipt of interest on the Notes. See "TAX MATTERS" herein.

The Notes will be designated "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.

\$4,930,000

TOWN OF BETHLEHEM ALBANY COUNTY, NEW YORK

GENERAL OBLIGATIONS

CUSIP BASE #: 087311

\$4,930,000 Bond Anticipation Notes, 2024

(referred to herein as the "Notes")

At an Interest Rate of 4.50% to Yield 3.74%

CUSIP: 087311 Q41

Dated: May 2, 2024

Due: May 2, 2025

The Notes are general obligations of the Town of Bethlehem, Albany County, New York, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. See "NATURE OF THE OBLIGATION" and "TAX LEVY LIMITATION LAW" herein. **The Notes shall not be subject to redemption prior to maturity.**

The Notes will be issued in registered book-entry-only form registered to Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC").

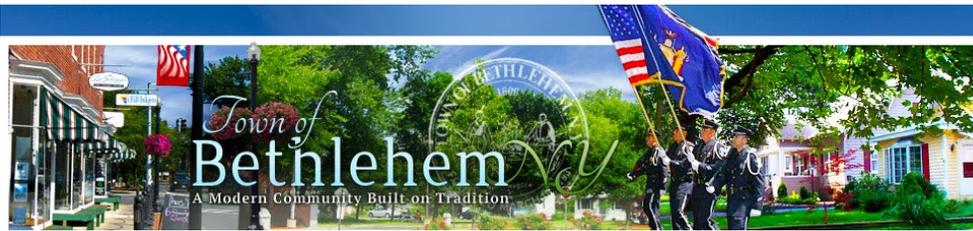
Such notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the Town to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. (See "BOOK-ENTRY-ONLY SYSTEM" herein).

The Notes are offered when, as and if issued and received by the purchaser and subject to the receipt of the approving legal opinion as to the validity of the Notes of Hodgson Russ LLP, Albany, New York, Bond Counsel. It is anticipated that the Notes will be available for delivery in Jersey City, New Jersey, on or about May 2, 2024.

April 18, 2024

THIS REVISED OFFICIAL STATEMENT SUPPLEMENTS THE PRELIMINARY OFFICIAL STATEMENT OF THE TOWN DATED APRIL 11, 2024 RELATING TO THE OBLIGATIONS THEREOF DESCRIBED THEREIN AND HEREIN BY INCLUDING CERTAIN INFORMATION OMITTED FROM SUCH OFFICIAL STATEMENT IN ACCORDANCE WITH SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12. OTHER THAN AS SET FORTH ON THIS REVISED COVER PAGE, THE REVISION OF THE "RATING" SECTION, AND THE REVISION OF THE DATED DATE ON PAGE 27, THERE HAVE BEEN NO REVISIONS TO SAID OFFICIAL STATEMENT.

BNY MELLON CAPITAL MARKETS, LLC



TOWN OFFICIALS

TOWN BOARD

DAVID VAN LUVEN

Town Supervisor

MAUREEN CUNNINGHAM

JOYCE BECKER

TOM SCHNURR

DAVID R. DECANCIO

* * * * *

ADMINISTRATION

MICHAEL E. COHEN, CPA

Town Comptroller

MARC DORSEY

Superintendent of Highways

KIM WHITSITT

Town Clerk

ALICIA RONEY

Tax Receiver

PAUL PENMAN, P.E.

Interim Commissioner of Public Works

JAMES POTTER, ESQ.

Town Attorney

MUNICIPAL ADVISOR



Fiscal Advisors & Marketing, Inc.
250 South Clinton Street, Suite 502
Syracuse, New York 13202
(315) 752-0051

BOND COUNSEL



677 Broadway, Suite 401
Albany, New York 12207

No person has been authorized by the Town of Bethlehem to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town of Bethlehem.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
THE NOTES	1	SPECIAL PROVISIONS AFFECTING	
Description of the Notes.....	1	REMEDIES UPON DEFAULT	18
Purposes of Issue.....	2	MARKET AND RISK FACTORS	21
NATURE OF THE OBLIGATION	3	Cybersecurity	22
BOOK-ENTRY-ONLY SYSTEM	4	COVID-19.....	22
Certificated Notes.....	4	TAX MATTERS	23
THE TOWN	5	LEGAL MATTERS	24
General Information	5	LITIGATION	24
Major Employers.....	5	CONTINUING DISCLOSURE	25
Population Trends	6	Historical Continuing Disclosure Compliance	25
Selected Wealth & Income Indicators	6	MUNICIPAL ADVISOR	25
Unemployment Rate Statistics	6	CUSIP IDENTIFICATION NUMBERS	25
Construction Activity	7	RATINGS	25
Form of Town Government.....	7	MISCELLANEOUS	26
Financial Organization	7	APPENDIX - A	
Budgetary Procedures	7	GENERAL FUND - Balance Sheets	
Investment Policy.....	8	APPENDIX - A1	
State Aid.....	8	GENERAL FUND – Revenues, Expenditures and	
Employees.....	8	Changes in Fund Balance	
Status and Financing of Employee Pension Benefits	8	APPENDIX - A2	
Other Post-Employment Benefits.....	10	GENERAL FUND – Revenues, Expenditures and	
Other Information.....	11	Changes in Fund Balance - Budget and Actual	
Financial Statements	12	APPENDIX – A3	
New York State Comptroller Reports of Examination	12	CHANGES IN FUND EQUITE	
Fiscal Stress and Monitoring System	12	APPENDIX – B-B2	
TAX INFORMATION	13	BONDED DEBT SERVICE AND CURRENT BONDS	
Valuations	13	OUTSTANDING	
Tax Rate Per \$1,000 (Assessed).....	13	APPENDIX – C	
Tax Collection Procedure.....	13	FORM OF UNDERTAKING TO PROVIDE NOTICES	
Tax Levy and Tax Collection Record.....	13	OF EVENTS	
Ten Largest Taxpayers- 2022 Assessment for 2023 Taxes ..	14	APPENDIX – D	
Additional Tax Information.....	14	AUDITED FINANCIAL REPORT –	
TAX LEVY LIMITATION LAW	14	Fiscal Year Ended December 31, 2022	
STATUS OF INDEBTEDNESS	15		
Constitutional Requirements	15		
Statutory Procedure.....	15		
Debt Outstanding End of Fiscal Year.....	16		
Details of Outstanding Indebtedness	16		
Debt Statement Summary.....	17		
Bonded Debt Service.....	17		
Cash Flow Borrowings.....	17		
Authorized but Unissued Items	17		
Capital Plan Summary.....	17		
Estimated Overlapping Indebtedness	18		
Debt Ratios.....	18		

PREPARED WITH THE ASSISTANCE OF



Fiscal Advisors & Marketing, Inc.
250 South Clinton Street, Suite 502
Syracuse, New York 13202
(315) 752-0051

www.fiscaladvisors.com

OFFICIAL STATEMENT
of the
TOWN OF BETHLEHEM
ALBANY COUNTY, NEW YORK

Relating To
\$4,930,000 Bond Anticipation Notes, 2024

This Official Statement, which includes the cover page and appendices, has been prepared by the Town of Bethlehem, Albany County, New York (the “Town”, “County”, and “State”, respectively), in connection with the sale by the Town of the principal amount of \$4,930,000 Bond Anticipation Notes, 2024 (referred to herein as the “Notes”).

The factors affecting the Town’s financial condition and the Notes are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the Town tax base, revenues, and expenditures, this Official Statement should be read in its entirety, and no one factor should be considered more or less important than any other by reason of its relative position in this Official Statement.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the Town contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive forms of the Notes and such proceedings.

THE NOTES

Description of the Notes

The Notes are general obligations of the Town, and will contain a pledge of its faith and credit for the payment of the principal thereof and interest thereon as required by the laws of the State of New York. All the taxable real property within the Town is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. See “TAX LEVY LIMITATION LAW” herein.

Under Article VIII of the Constitution of the State, the Town is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and the State is specifically precluded from restricting the power of the Town to levy taxes on real property for the payment of such indebtedness.

The Notes are dated May 2, 2024 and mature, without option of prior redemption, on May 2, 2025. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in either (i) at the option of the purchaser(s), as registered notes, and, if so issued, registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as the securities depository for the Notes. Under this option, payment of the principal of and interest on the Notes to the Beneficial Owner(s) of the Notes will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices. Payment will be the responsibility of the DTC, subject to any statutory and regulatory requirements as may be in effect from time to time. See “BOOK-ENTRY-ONLY SYSTEM” herein; or (ii) registered in the name of the purchaser(s) with principal and interest payable in Federal Funds at the office of the Town Clerk, in Endwell, New York.

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

Purposes of Issue

The Notes are issued pursuant to the Constitution and statutes of New York State, including among others, the Town Law and the Local Finance Law, and various bond resolutions, for the following purposes:

<u>Project Name</u>	<u>Authorized Amount</u>	<u>Amount Outstanding</u>	<u>2024 Principal Reduction</u>	<u>Amount of 2024 BAN</u>
Elm Avenue Water Tank	\$ 2,500,000	\$ 2,400,000	\$ 80,000	\$ 2,320,000
Sewer System Improvements:				
WWTP Blower Project	1,300,000	100,000	3,333	96,667
Pump Station Replacements	2,600,000	2,600,000	86,667	2,513,333
Elm Avenue Pool	<u>1,600,000</u>	<u>900,000</u>	<u>900,000</u>	<u>-</u>
TOTAL:	\$ 8,000,000	\$ 6,000,000	\$ 1,070,000	\$ 4,930,000

\$6,000,000 of obligations were issued in 2023 for the aforementioned projects. The proceeds of the Notes along with \$1,070,000 available funds to the Town will partially redeem and renew the obligations set to mature on May 3, 2024.

NATURE OF THE OBLIGATION

Each Note when duly issued and paid for will constitute a contract between the Town and the holder thereof.

Holders of any series of notes or bonds of the Town may bring an action or commence a proceeding in accordance with the civil practice law and rules to enforce the rights of the holders of such series of notes or bonds.

The Notes will be general obligations of the Town and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the Town has power and statutory authorization to levy ad valorem taxes on all real property within the Town subject to such taxation by the Town, subject to certain applicable statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended.

Although the State Legislature is restricted by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay “interest on or principal of indebtedness theretofore contracted” prior to the effective date of any such legislation, the New York State Legislature may from time to time impose additional limitations or requirements on the ability to increase a real property tax levy or on the methodology, exclusions or other restrictions of various aspects of real property taxation (as well as on the ability to issue new indebtedness). On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities and school districts to levy certain year-to-year increases in real property taxes.

Under the Constitution of the State, the Town is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the Town’s power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See “TAX LEVY LIMITATION LAW” herein.

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

The Constitutionally-mandated general obligation pledge of municipalities and school districts in New York State has been interpreted by the Court of Appeals, the State's highest court, in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), as follows:

“A pledge of the City’s faith and credit is both a commitment to pay and a commitment of the City’s revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City’s “faith and credit” is secured by a promise both to pay and to use in good faith the city’s general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, “faith” and “credit”, are used and they are not tautological. That is what the words say and this is what the courts have held they mean.... So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the City’s power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted.... While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded”.

In addition, the Court of Appeals in the Flushing National Bank (1976) case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of political subdivisions in New York State.

The pledge has generally been understood as a promise to levy property taxes without limitation as to rate or amount to the extent necessary to cover debt service due to language in Article VIII Section 10 of the Constitution which provides an exclusion for debt service from Constitutional limitations on the amount of a real property tax levy, insuring the availability of the levy of property tax revenues to pay debt service. As the Flushing National Bank (1976) Court noted, the term “faith and credit” in its context is “not qualified in any way”. Indeed, in Flushing National Bank v. Municipal Assistance Corp., 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, “with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations.” According to the Court in Quirk, the State Constitution “requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness.”

In addition, the Constitution of the State requires that every county, city, town, village, and school district in the State provide annually by appropriation for the payment of all interest and principal on its serial bonds and certain other obligations, and that, if at any time the respective appropriating authorities shall fail to make such appropriation, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. In the event that an appropriating authority were to make an appropriation for debt service and then decline to expend it for that purpose, this provision would not apply. However, the Constitution of the State does also provide that the fiscal officer of any county, city, town, village, or school district may be required to set apart and apply such first revenues at the suit of any holder of any such obligations.

In Quirk v. Municipal Assistance Corp., the Court of Appeals described this as a “first lien” on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in New York State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy to pay debt service on such obligations, but that such pledge may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues.

While the courts in New York State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold.

BOOK-ENTRY-ONLY SYSTEM

If the Notes are issued in book-entry form, the Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered 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 Note certificate will be issued for Notes bearing the same rate of interest and CUSIP number, and will be deposited with DTC.

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

To facilitate subsequent transfers, all Notes 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 Notes 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 Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes 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.

Principal and interest payments on the Notes 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 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 or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Town, 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 Notes at any time by giving reasonable notice to the Town. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

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

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

Source: The Depository Trust Company.

THE TOWN CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE NOTES, (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE NOTES, OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE TOWN WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST THE NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE NOTES.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE TOWN MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

Certificated Notes

DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the Town and discharging its responsibilities with respect thereto under applicable law, or the Town may terminate its participation in the system of book-entry-only system transfers through DTC at any time. In the event that such book-entry-only system is initially utilized and then discontinued, the following provisions will apply:

The Notes will be issued in registered form in denominations of \$5,000 or integral multiples thereof. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the Town. The Notes will remain not subject to redemption prior to their stated final maturity date or earlier redemption.

THE TOWN

General Information

The Town of Bethlehem (the "Town") was incorporated in 1793. It has a land area of 52 square miles and is located in the upstate New York Capital Region in Albany County. It includes the hamlets of Delmar, Elsmere, Glenmont, Selkirk, Slingerlands and South and North Bethlehem. Situated approximately 6 miles south of the City of Albany, the capital of New York State, on the west bank of the Hudson River, the Town is primarily residential in nature. New York City is located approximately 150 miles south and Boston is located approximately 170 miles to the east. Residents have employment opportunities within the Capital Region.

The nearby Adirondack, Catskill and Berkshire mountains offer skiers, hikers and climbers world-class facilities, while boaters and water sports enthusiasts have Lake George only a short drive away. The Town has available all the usual commercial services in the hamlet of Delmar, as well as various shopping centers within the Town.

The Town has its own Water District with a water filtration and supply system capable of delivering ten million gallons of water daily through about 230 miles of water mains. The Bethlehem Sewer District contains about 175 miles of sewer mains. Approximately 85% of the Town's residents are served by the Sewer District. The Town maintains its own Police Department. There are five volunteer fire districts in the Town with each district having a five-person Board of Commissioners or Board of Directors. One volunteer ambulance company provides basic life support ambulatory services while the County provides advanced life support ambulatory services to the Town. The highway department is responsible for street and highway construction and repair. Gas and electricity are furnished by National Grid.

Rail passenger service to New York City and to the City of Buffalo and the west is provided by Amtrak at the Rensselaer station, which is located within close proximity to the Town and is easily accessible for residents. Major bus lines operate in all directions from the Albany Bus Terminal. Truck traffic is facilitated by US Interstates #87 (Adirondack Northway) and #90 (New York State Thruway). Other major highways include Interstate #787, US Routes #9W and #20, and State Routes #443 and #85. The Albany International Airport, located nearby in the Town of Colonie, provides passenger and freight service and accommodates both general aviation and military services.

Three school districts, Bethlehem Central School District, Ravena-Coeymans-Selkirk Central School District and Guilderland Central School District provide primary education. Higher education is afforded residents in the nearby City of Albany including such institutions as the State University of New York at Albany, SUNY Polytechnic Institute, Albany Law School, Albany College of Pharmacy and Health Sciences and Albany Medical College. Additionally, Siena College is located in the Town of Colonie and Rensselaer Polytechnic Institute and Russell Sage College are located in the City of Troy.

Source: Town officials.

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

Major Employers

The following table sets forth the names of the major employers located within the Town and the estimated number of persons employed by each:

<u>Name of Employer</u>	<u>Nature of Entity</u>	<u>Estimated Number of Employees</u>
Bethlehem Central School District	Public School	885
Plug Power	Manufacturing	600
American National-Farm Family	Insurance	570
SABIC (formerly General Electric Plastics Mfg.)	Plastics Manufacturing	500
Callanan Industries, Inc.	Paving and Construction Co	500
Walmart	Shopping Center	460
Price Chopper/Golub Corp.	Shopping	302
Owens Corning	Fiberglass Manufacturing	300
National Grid	Utility	300
Town of Bethlehem	Government - Town	211
CAP COM Federal Credit Union	Financial Institutions	199
Glenmont Job Corps Academy	Human Services	130

Source: Chamber of Commerce.

Population Trends

<u>Year</u>	<u>Town of Bethlehem</u>	<u>Albany County</u>	<u>New York State</u>
1970	23,427	286,742	18,236,882
1980	24,296	285,909	17,558,072
1990	27,552	292,594	17,990,455
2000	31,304	294,585	18,976,457
2010	33,656	304,204	19,378,102
2020	35,034	314,848	20,201,249
2021	34,924	316,301	19,857,492
2022	34,943	315,811	19,673,200

Sources: U.S. Census.

Selected Wealth and Income Indicators

Per capita income statistics are available for the County and State. Listed below are select figures from the 2000 Census Reports, 2006-2010 and 2018-2022 American Community Survey 5-Year Estimates.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2018-2022</u>	<u>2000</u>	<u>2006-2010</u>	<u>2018-2022</u>
Town of:						
Bethlehem	\$ 21,564	\$ 31,492	\$ 60,040	\$ 54,029	\$ 77,211	\$ 150,931
County of:						
Albany	16,363	23,345	44,101	41,670	56,724	110,201
State of:						
New York	16,501	23,389	47,173	39,741	51,691	100,846

Note: 2019-2023 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2018-2022 American Community Survey data.

Unemployment Rate Statistics

Unemployment statistics are available for the Town. In addition to the Town, such statistics are available for Albany County. The information set forth below with respect to the County and State of New York is included for information purposes only. It should not be inferred from the inclusion of such data in this Official Statement that the County or State is necessarily representative of the Town, or vice versa.

	<u>Annual Averages</u>						
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Town of Bethlehem	3.3%	2.9%	2.7%	4.6%	3.2%	2.3%	2.5%
Albany County	4.2%	3.7%	3.5%	6.9%	4.4%	3.0%	3.3%
New York State	4.6%	4.1%	3.8%	9.9%	6.9%	4.3%	4.2%

	<u>2023-2024 Monthly Figures</u>											
	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>
Town of Bethlehem	2.4%	2.2%	1.7%	2.1%	2.2%	2.3%	2.4%	2.3%	2.6%	2.5%	2.9%	2.8%
Albany County	3.2%	2.9%	2.3%	2.7%	3.0%	3.0%	3.3%	3.0%	3.3%	3.2%	3.6%	3.7%
New York State	4.5%	4.0%	3.7%	3.8%	4.2%	4.1%	4.4%	4.0%	4.4%	4.0%	4.4%	4.4%

Note: Unemployment figures for February and March 2024 are not available as of the date of this Official Statement.

Source: Department of Labor, State of New York. Figures not seasonally adjusted.

Construction Activity

The following table sets forth the number of building permits which were issued within the Town for the years 2018 through and including 2024:

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024⁽¹⁾</u>
<u>Residential:</u>							
One Family	67	76	74	64	30	14	11
Two Family	0	0	0	0	10	10	7
Additions/Alterations	414	366	925	1,039	924	839	79
Town Houses	0	0	0	0	0	0	0
Apartments	0	2 (6 units)	1 (8 units)	0	0	0	0
Commercial & Industrial	10	4	9	5	13	7	1
<u>Non-Residential:</u>							
Additions/Alterations	75	75	22	80	83	61	2
Misc., Pools & Sheds	488	507	40	40	59	70	9

⁽¹⁾ As of April 11, 2024

Source: Town officials.

Form of Town Government

The Town functions under the Town Law of the State of New York. The chief executive, administrative and fiscal officer and Chairman of the Town Board is the Town Supervisor. The Supervisor is elected to a two-year term and is eligible to succeed his term. The Town Board, in addition to the Supervisor, is comprised of four councilmen who are elected to four-year terms. The Town Board reviews and adopts the annual Town budget, levies taxes, enacts ordinances and resolutions, administers municipal services and special Town districts, and appoints various personnel of the Town government. Two Town Justices who preside over weekly sessions of the Town Court, and a Receiver of Taxes, who supervises the collection and recording of the County, Fire District and Town tax receipts are elected for four-year terms. The Town Clerk and Superintendent of Highways, who supervises the budget and personnel of the Highway Department, are elected to two-year terms.

Financial Organization

The Supervisor is the chief fiscal officer of the Town. The Town Board appoints the Comptroller, who along with the Supervisor, has responsibility for the Town's financial affairs, including reviewing the financial conditions of the Town and plans for the Town's financial needs. The Supervisor is responsible for the custody of the Town's funds and disbursement of Town expenses. The Comptroller is responsible for auditing the financial records of the Town and allowing claims and expenses. The Board of Assessment and Review has responsibility for assessing real property in the Town for ad valorem taxes. Taxes, including Albany County ad valorem taxes assessed in the Town, are collected by the Receiver of Taxes. The Town maintains separate accounts of revenues and expenditures of the General Fund, Water District (Water Fund), Sewer District (Sewer Fund) and Highway Department (Highway Fund).

Budgetary Procedures

The Town Law of New York prescribes the method of budget procedures employed by the Town. In mid-July, administrative heads of the Town's departments are expected to prepare and file an estimate of revenues and expenditures during the next succeeding fiscal year with the Town Comptroller. From this data, The Comptroller and Town Supervisor prepare a tentative budget, which is presented to the Town Board, no later than September 30th. The tentative budget is filed with the Town Clerk and made available for inspection by interested persons both online and in office during reasonable hours. A hearing on the preliminary budget is held on or before the Thursday immediately following the general election held each year in November. The Town Board adopts the preliminary budget, by a majority vote, which then becomes the annual fiscal budget, on or before November 20th. The 2024 budget was adopted on November 8, 2023.

Investment Policy

Pursuant to the statutes of the State of New York, the Town is permitted to invest only in the following investments: (1) special time deposits or certificates of deposits in a bank or trust company located and authorized to do business in the State of New York; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the Town; (6) obligations of a New York public corporation which are made lawful investments by the Town pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State of New York; and, (8) in the case of Town moneys held in certain reserve funds established pursuant to law, obligations issued by the Town. These statutes further require that all bank deposits, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law.

State Aid

The Town receives financial assistance from the State. In its budget for the 2024 fiscal year, approximately 4.32% of the General Fund revenues of the Town are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner in any year, municipalities and school districts in the State, including the Town, may be affected by a delay in the payment of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the Town. No assurance can be given that present State aid levels will be maintained in the future. In view of the State's continuing budget problems, future State aid reductions may occur. State budgetary restrictions which eliminate or substantially reduce State aid could have an effect upon the Town requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

Employees

The Town currently employs approximately 211 full-time employees, of which 42 are represented by the collective bargaining units listed below. 169 employees are not represented by any bargaining unit.

<u>Employees</u>	<u>Union Representation</u>	<u>Contract Expiration Date</u>
25	Teamsters (Police Officers & Detectives)	December 31, 2025
10	AFL-CIO Council 66 (Telecommunicators)	December 31, 2025
7	AFSCME Council 82 (Police Sergeants)	December 31, 2025

Source: Town officials.

Status and Financing of Employee Pension Benefits

Substantially all employees of the Town are members of the New York State and Local Employees’ Retirement System (“ERS”) or the New York State and Local Police and Fire Retirement System (“PFRS”; with ERS, the “Retirement Systems”). The ERS is generally also known as the “Common Retirement Fund”. The Retirement Systems are cost-sharing multiple public employer retirement systems. The obligation of employers and employees to contribute and the benefit to employees are governed by the New York State Retirement System and Social Security Law (the “Retirement System Law”). The Retirement Systems offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems.

The ERS is non-contributory with respect to members hired prior to July 27, 1976 (Tier 1 & 2); members hired from July 27, 1976 through December 31, 2009 (Tier 3 & 4) contribute 3% for the first 10 years of service and then become non-contributory; members hired from January 1, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3 and 6 percent for their entire careers based on their annual wage.

The PFRS is non-contributory with respect to members hired prior to January 8, 2010 (Tier 1, 2 & 3); members hired from January 9, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3 and 6 percent for their entire careers based on their annual wage.

For both ERS & PFRS, Tier 5 provides for:

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62.
- Requiring employees to continue contributing 3% of their salaries toward pension costs so long as they accumulate additional pension credits.
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at \$15,000 per year, and for police & firefighters at 15% of non-overtime wages.

For both ERS & PFRS, Tier 6 provides for:

- Increase contribution rates of between 3% and 6% based on annual wage
- Increase in the retirement age from 62 years to 63 years
- A readjustment of the pension multiplier
- A change in the period for final average salary calculation from 3 years to 5 years

The Town’s contributions to ERS and PFRS since 2018, including the 2023 unaudited and 2024 budgeted amount, are as follows:

<u>Year</u>	<u>ERS</u>	<u>PFRS</u>
2018	\$ 1,650,665	\$ 987,636
2019	1,684,371	963,701
2020	1,708,487	1,066,300
2021	1,813,922	1,171,533
2022	1,455,170	1,181,347
2023 (Budgeted)	1,695,456	1,238,012
2023 (Unaudited)	1,554,054	1,239,992
2024 (Budgeted)	1,940,779	1,461,053

Source: Town officials.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. The Town does not have any early retirement incentives outstanding.

Historical Trends and Contribution Rates. Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement System in the 1990s, the locally required annual contribution declined to zero. However, with the subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially. The Town’s most recent contributions have been 11.3% to 28.0% of payroll for the employees’ and the police and fire retirement systems, respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

A chart of statewide average ERS and PFRS rates (2020 to 2024) is shown below:

<u>Year</u>	<u>ERS</u>	<u>PFRS</u>
2020	14.6	23.5
2021	14.6	24.4
2022	16.2	28.3
2023	11.6	27.0
2024	13.1	27.8

Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program that establishes a minimum contribution for any employer equal to 4.5% of pensionable salaries for required contributions due December 15, 2003 and for all years thereafter where the actual rate would otherwise be 4.5% or less. In addition, it instituted a billing system that will advise employers over one year in advance concerning actual pension contribution rates.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating local government employers, if they so elect, to amortize an eligible portion of their annual required contributions to both ERS and PFRS, when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a “graded” rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period, but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year’s amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating employer’s graded payment eliminates all balances owed on prior amortized amounts, any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that amortizing employer has no currently unpaid prior amortized amounts, for future such use.

Stable Rate Pension Contribution Option. The 2013-14 Adopted State Budget included a provision that authorized local governments, including the Town, with the option to “lock-in” long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS and PFRS. The pension contribution rates under this program would reduce near-term payments for employers, but require higher than normal contributions in later years.

The Town is not amortizing or smoothing any pension payments, nor does it intend to do so in the foreseeable future. In 2013, during a period when contributions were increasing annually at a dramatic rate, the Town created a capital reserve fund with \$672,000, \$308,000 and \$126,000, in the General, Highway and Water Funds, respectively, for the purpose of retirement contribution smoothing. This fund has not been used since, and the moneys are still available should the state system require a substantial increase in contribution.

The investment of monies and assumptions underlying same, of the Retirement Systems covering the Town’s employees is not subject to the direction of the Town. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the Retirement Systems (“UAALs”). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the Town which could affect other budgetary matters. Concerned investors should contact the Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems.

Other Post-Employment Benefits

Healthcare Benefits. School districts and boards of cooperative educational services, unlike other municipal units of government in the State, have been prohibited 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 since the implementation of Chapter 729 of the Laws of 1994. Legislative attempts to provide similar protection to retirees of other local units of government in the State have not succeeded as of this date. Nevertheless, many such retirees of all varieties of municipal units in the State do presently receive such benefits.

OPEB. Other Post-Employment Benefits ("OPEB") refers to "other post-employment benefits," meaning other than pension benefits, disability benefits and OPEB consist primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Until now, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements.

GASB 75. GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for the year ending May 31, 2019. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. The Town adopted the provisions of Statement No. 75 for the year ending December 31, 2018. The Town does report pension obligations on the Audited Financial Statements but does not report the effect of OPEB, noted below.

GASB 45. Prior to GASB 75, GASB Statement No. 45 ("GASB 45"), required municipalities and school districts to account for OPEB liabilities much like they already accounted 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. Unlike GASB 27, which covered accounting for pensions, GASB 45 did not require municipalities or school districts to report a net OPEB obligation at the start.

Under GASB 45, based on actuarial valuation, an annual required contribution ("ARC") was 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 did 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.

Actuarial Valuations are required every 2 years for OPEB plans with more than 200 members, every 3 years if there are less than 200 members.

In addition to providing pension benefits, the Town also provides certain health care benefits for retired employees and their dependents. Substantially all of the Town employees may become eligible for those benefits if they reach normal retirement age while working for the Town.

The Town has not recorded other postemployment benefits in accordance with the regulatory basis accounting principles. The amounts that would have been recorded as a liability, had other postemployment benefits been recorded in accordance with the regulatory basis accounting principles, is not known.

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

GASB 45 requires the Town to recognize the cost of pension benefits to be reflected in the financial statements in the periods in which the exchange occurs rather than in the periods when the benefits are paid. GASB 45 requires the services of an actuary to calculate current OPEB costs and to amortize prior service costs over a period not to exceed thirty years. The expense recognized under this policy would be significantly larger than prior practice which recognized expense on a pay-as-you-go basis.

- OPEB costs recognized by the Town as incurred were \$639,976 in 2014 for 141 retirees.
- OPEB costs recognized by the Town as incurred were \$758,077 in 2015 for 146 retirees.
- OPEB costs recognized by the Town as incurred were \$760,968 in 2016 for 146 retirees.
- OPEB costs recognized by the Town as incurred were \$761,953 in 2017 for 154 retirees.
- OPEB costs recognized by the Town as incurred were \$746,302 in 2018 for 172 retirees.
- OPEB costs recognized by the Town as incurred were \$804,646 in 2019 for 180 retirees.
- OPEB costs recognized by the Town as incurred were \$881,878 in 2020 for 212 retirees.
- OPEB costs recognized by the Town as incurred were \$1,021,991 in 2021 for 218 retirees.
- OPEB costs recognized by the Town as incurred were \$1,075,065 in 2022 for 199 retirees.
- OPEB costs recognized by the Town as incurred were \$1,158,596 in 2023 for 160 retirees.

Note: The number of retirees above includes covered spouses and children, where applicable.

An annual audit will be conducted on the Annual Financial Report as required to be submitted to the Office of the New York State Comptroller, using an Other Comprehensive Basis of Accounting (OCBOA), in that the financial statements will be prepared in conformity with the requirements of this regulatory agency. See “Financial Statements” herein.

The Town’s financial statements are presented in conformity with GAAP and ties to the Financial Statements as audited.

Other Information

The statutory authority for the power to spend money for the object or purpose, or to accomplish the object or purpose for which the Notes are issued, is the Town Law and the Local Finance Law.

No principal or interest upon any obligation of this Town is past due.

The fiscal year of the Town is January 1 through December 31.

Except for as shown under “STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness”, this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the Town.

Financial Statements

The Town retains an independent certified public accounting firm for a continuous independent audit of all financial transactions of the Town. The financial affairs of the Town are also subject to periodic reviews by the State Comptroller. The audited financial statements for the fiscal year ending December 31, 2023 are not available as of this Official Statement. The last independent audit covers the fiscal year ending December 31, 2022 and is attached hereto as “APPENDIX – D” to this Official Statement. Certain other financial information can also be found in “APPENDIX – A1 – A3” attached hereto.

The Town complies with the Uniform System of Accounts as prescribed for towns in New York State by the State Comptroller. This System differs from generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units", and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB).

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

The Town has chosen to defer implementation of GASB Statement No. 34 (and other subsequent statements), until such time as the benefits from compliance may outweigh the costs to comply and with the requirements of GASB 75 as it pertains to OPEB. The Town's financial statements are prepared using GAAP. In addition, the Town continues to comply with the requirements of OMB Circular A-133, for its Single Audit.

Unaudited Results of Operations for Fiscal Year Ended 2023.

The Town ended the fiscal year ending December 31, 2023 with a cumulative unappropriated unreserved net fund balance of \$9,672,746.

Summary unaudited information for the General Fund for the period ending December 31, 2023 is as follows:

	Revenues:	\$ 29,146,965
	Expenditures:	<u>26,791,559</u>
	Excess (Deficit) Revenues Over Expenditures:	<u>\$ 2,355,406</u>
	Total General Fund Balance December 31, 2022:	13,093,407
	Total General Fund Balance December 31, 2023:	\$ 15,448,813

Note: These unaudited results are based upon certain current assumptions and estimates for fiscal year ended 2023 and the audited results may vary therefrom.

New York State Comptroller Reports of Examination

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the Town has complied with the requirements of various State and Federal statutes. These audits can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

In December 2021, the Office of the State Comptroller conducted a review of the Town's tax levy limit and proposed tax levy for the fiscal year ending in 2022. The review resulted in no findings.

In July 2023, the Town was notified by letter of an upcoming audit by the Office of the State Comptroller. As of the time of this Official Statement, there has been no audit conducted or further communication regarding subject or timeframe of such audit.

There are no recent State Comptroller's audits of the Town, nor any that are currently in progress or pending release.

Note: Reference to website implies no warranty of accuracy of information therein.

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

The State Comptroller's Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State's school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller has developed a Fiscal Stress Monitoring System ("FSMS") to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State's school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district's ST-3 report filed with the State Education Department annually, and each municipality's annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in "significant fiscal stress", in "moderate fiscal stress," as "susceptible to fiscal stress" or "no designation". Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of "no designation." This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity's financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The reports of the State Comptroller for the past three years for the Town are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2022	No Designation	0.0
2021	No Designation	0.0
2020	No Designation	3.3

Source: Website of the Office of the New York State Comptroller.

Note: Reference to website implies no warranty of accuracy of information therein, and the website is not incorporated herein by reference.

TAX INFORMATION

Valuations

<u>Fiscal Year Ending December 31:</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Assessed Valuation	\$3,741,979,721	\$3,795,484,179	\$3,836,627,024	\$3,878,903,349	\$3,919,053,419
New York State Equalization Rate	100.00%	95.00%	93.00%	86.00%	75.00%
Total Taxable Full Valuation	\$ 3,741,979,721	\$ 3,995,246,504	\$ 4,125,405,402	\$ 4,510,352,731	\$ 5,225,404,559

Source: Town officials.

Tax Rate Per \$1,000 (Assessed)

<u>Fiscal Year Ending December 31:</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
County	\$ 3.71	\$ 3.70	\$ 3.73	\$ 3.70	\$ 3.81
Town	0.91	1.00	1.04	1.01	1.09
Highway	1.73	1.71	1.72	1.77	1.83
Water	0.61	0.60	0.61	0.61	0.37
Sewer	0.33	0.33	0.33	0.38	0.48

Source: Town officials.

Tax Collection Procedure

Taxes are payable during the month of January without penalty. Penalties thereafter are imposed at a rate of 1% if paid in February, and 2% if paid in March. In April, the tax roll is returned to the County and all unpaid taxes plus penalties are due and payable to the County. The Town retains the total amount of Town, Highway, Special District levies from the total collections and returns the balance plus the uncollected items to the County, which assumes responsibility and holds annual tax sales. As far as the Town is concerned there are no uncollected taxes. Payment in full of all Town items is guaranteed by the County.

The County of Albany acts as billing and collecting agent for real property taxes with respect to public utility (including special franchise) and railroad properties.

Tax Levy and Tax Collection Record

<u>Fiscal Year Ending December 31:</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total Tax Levy ⁽¹⁾	\$ 33,430,618	\$ 34,180,797	\$ 35,100,110	\$ 35,699,951	\$ 37,176,499
Amount Unpaid ⁽²⁾	-	-	-	-	-
% Uncollected	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Town officials.

Ten Largest Taxpayers – 2023 Assessment Roll for 2024 Town Tax Roll

<u>Name</u>	<u>Type</u>	<u>Taxable Assessed Valuation</u>
PSEG	Utility	\$ 104,660,614
Niagara Mohawk Power Corp	Utility	83,499,446
New York Central Lines	Railroad	67,364,993
Selkirk Cogen	Utility	50,000,000
Beverwyck Inc.	Aged home	23,000,000
SHPP US LLC	Manufacturing	22,292,400
LSREF4 Dual (Mansions) LLC	Apts	22,000,000
Adams Station Apts	Apts	20,360,000
Tennessee Gas	Utility	20,100,528
Tower Elm Estate II LLC	Apts	15,908,000

The ten taxpayers, listed above, have a total assessed valuation of \$429,185,981, which represents 10.95% of the taxable assessed value of the Town.

The Town is currently defending tax assessment challenges against 11 homeowners located near the Beacon Island development as well as 12 businesses with disputes, the Town believes that none of these disputes will have an adverse material financial impact on Town finances.

Source: Town officials.

Additional Tax Information

Veterans', senior citizens', volunteer firefighters' and emergency medical technicians' exemptions are offered to those who qualify.

The Town assessment roll is completed by the Town's Assessor and is modified according to Town requirements and standards.

The assessment roll of the Town, based on total value, is constituted approximately as follows: Agricultural and Residential 72%, Commercial and Industrial 20%, and wholly exempt 8%.

The total 2024 property tax bill of an average assessed value residential property of \$270,500, located in the Town, is approximately \$8,741 including County, Fire District, Town, and School District (2023/2024) taxes.

Source: Town officials.

TAX LEVY LIMITATION LAW

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo, the latter four of which are indirectly affected by applicability to their respective city). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year’s tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees’ Retirement System, the Police and Fire Retirement System, and the Teachers’ Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the Tax Levy Limitation Law (June 24, 2011).

While the Tax Levy Limitation Law may constrict an issuer’s power to levy real property taxes for the payment of debt service on debt contracted after the effective date of said Tax Levy Limitation Law, it is clear that no statute is able (1) to limit an issuer’s pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) to limit an issuer’s levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

- The Town Tax Levy remained under the Tax Cap in 2015 by \$295,502.
- The Town Tax Levy remained under the Tax Cap in 2016 by \$252,696.
- The Town Tax Levy remained under the Tax Cap in 2017 by \$26,375.
- The Town Tax Levy remained under the Tax Cap in 2018 by \$24,008.
- The Town Tax Levy remained under the Tax Cap in 2019 by \$37,532.
- The Town Tax Levy remained under the Tax Cap in 2020 by \$21,315.
- The Town Tax Levy remained under the Tax Cap in 2021 by \$16,584.
- The Town Tax Levy remained under the Tax Cap in 2022 by \$7,740.
- The Town Tax Levy remained under the Tax Cap in 2023 by \$15,835.
- The Town Tax Levy remained under the Tax Cap in 2024 by \$0

STATUS OF INDEBTEDNESS

Constitutional Requirements

The New York State Constitution limits the power of the Town (and other municipalities and certain school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional limitations in summary form, and as generally applicable to the Town and the Notes include the following:

Purpose and Pledge. Subject to certain enumerated exceptions, the Town shall not give or loan any money or property to or in aid of any individual or private corporation or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

The Town may contract indebtedness only for a Town purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal year periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute; unless substantially level or declining debt service is utilized, no installment may be more than fifty per centum in excess of the smallest prior installment. The Town is required to 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 and such required annual installments on its notes.

Debt Limit. The Town has the power to contract indebtedness for any Town purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven per centum of the average full valuation of taxable real estate of the Town and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the debt limit of the Town is calculated by taking 7% of the latest five-year average of the full valuation of all taxable real property.

Statutory Procedure

In general, the State Legislature has, by the enactment of the Local Finance Law, authorized the powers and procedure for the Town to borrow and incur indebtedness, subject, of course, to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including specifically the Town Law and the General Municipal Law.

Pursuant to the Local Finance Law, the Town authorizes the issuance of bonds by the adoption of a bond resolution, approved by at least two-thirds of the members of the Town Board, the finance board of the Town. Customarily, the Town Board has delegated to the Supervisor, as chief fiscal officer of the Town, the power to authorize and sell bond anticipation notes in anticipation of authorized bonds.

The Local Finance Law also provides that where a bond resolution is published with a statutory form of notice, the validity of the bonds authorized thereby, including bond anticipation notes issued in anticipation of the sale thereof, may be contested only if:

- (1) Such obligations are authorized for a purpose for which the Town is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations and an action contesting such validity, is commenced within twenty days after the date of such publication or,
- (3) Such obligations are authorized in violation of the provisions of the Constitution.

Except on rare occasions the Town complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law) restrictions relating to the period of probable usefulness with respect thereto.

Statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first of such notes and provided, generally, that such renewals do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein, and "Details of Outstanding Indebtedness" herein).

In general, the Local Finance Law contains provisions providing the Town with the power to issue certain other short-term general obligations indebtedness including revenue and tax anticipation notes and budget and capital notes (see "Details of Outstanding Indebtedness" herein).

Debt Outstanding End of Fiscal Year

<u>Fiscal Years Ending December 31:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Bonds	\$ 42,602,100	\$ 40,765,000	\$ 38,620,000	\$ 36,395,000	\$ 35,020,001
Bond Anticipation Notes	0	0	0	0	6,000,000
Other Debt	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Totals	\$ 42,602,100	\$ 40,765,000	\$ 38,620,000	\$ 36,395,000	\$ 41,020,001

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the Town evidenced by bonds and notes as of April 11, 2024.

<u>Bonds</u>	<u>Maturity</u>	<u>Amount</u>
	2023-2037	\$ 34,940,001
<u>Bond Anticipation Notes</u>	May 3, 2024	<u>6,000,000</u>
	Total Debt Outstanding	<u>\$ 40,940,001</u>

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of April 11, 2024:

Five-Year Average Full Valuation of Taxable Real Property	\$ 4,319,677,783
Debt Limit 7% thereof.....	302,377,445
Inclusions:	
Bonds.....	\$ 34,940,001
Bond Anticipation Notes	<u>6,000,000</u>
Total Inclusions.....	\$ 40,940,001
Exclusions:	
Water Debt ⁽¹⁾	\$ 18,069,982
Sewer Indebtedness ⁽²⁾	2,873,661
Appropriations ⁽³⁾	<u>697,920</u>
Total Exclusions.....	<u>\$ 21,641,563</u>
Total Net Indebtedness	<u>\$ 19,298,438</u>
Net Debt-Contracting Margin.....	<u>\$ 283,079,007</u>
The percent of debt contracting power exhausted is	6.38%

- (1) Excluded pursuant to Section 124.10 of the Local Finance Law.
- (2) Excluded pursuant to Section 136 of the Local Finance Law.
- (3) Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.

Bonded Debt Service

A schedule of Bonded Debt Service may be found in the Appendices to this Official Statement.

Cash Flow Borrowings

The Town has not found it necessary to borrow revenue or tax anticipation notes in the recent past and does not anticipate having to borrow such in the foreseeable future.

Authorized but Unissued Items

Currently approved projects that the Town has not yet financed include:

- In the Water Fund, \$640,000 in borrowing was authorized in March 2016 for a Water Storage Tank Rehabilitation project.
- In the Water Fund, \$451,777 in borrowing was authorized in March 2016 for a Dam Safety Improvement project.
- In the Water Fund, \$100,000 in borrowing was authorized in May 2022 for a Water Storage Tank Rehabilitation project.
- In the Sewer Fund, \$1,200,000 in borrowing was authorized in May 2022 for Waste Water Treatment Plant Upgrades & pump replacement
- In the General Fund, \$700,000 in borrowing was authorized in May 2022 for Elm Ave Pool restoration.

Source: Town officials.

Capital Plan Summary

The Town has a Capital Plan Projection which covers five years. It is an internal working document to be used by the Town Board and administrators as well as the Town’s financial advisors and bond counsel. It provides a financial plan through which borrowing can be organized and scheduled and debt service impacts on future annual operating budgets can be predicted. The plan is publicly available on the Town’s website at the address below: <https://www.townofbethlehem.org/DocumentCenter/View/14519/2024-2028-Tentative-Capital-Plan-Presentation>

Source: Town officials.

Estimated Overlapping Indebtedness

In addition to the Town, the following political subdivisions have the power to issue obligations and to levy taxes or cause taxes to be levied on taxable real property in the Town.

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> ⁽¹⁾	<u>Estimated Exclusions</u>	<u>Net Indebtedness</u>	<u>Town Share</u>	<u>Applicable Indebtedness</u>
County of:						
Albany	12/31/2022	\$301,080,000	\$ - ⁽²⁾	\$ 301,080,000	16.58%	\$ 49,919,064
School District:						
Bethlehem CSD	6/30/2023	42,067,375	29,951,971 ⁽³⁾	12,115,404	92.45%	11,200,691
Ravena-Coeymans-Selkirk	6/30/2023	22,602,221	15,957,168 ⁽³⁾	6,645,053	47.80%	3,176,335
Guilderland CSD	6/30/2023	64,826,840	44,665,693 ⁽³⁾	20,161,147	6.61%	1,332,652
Fire District:						
Delmar Fire District	12/31/2022	700,000	- ⁽²⁾	700,000	29.08%	203,560
Elmwood Park Fire District	12/31/2022	95,000	- ⁽²⁾	95,000	6.91%	6,565
Elsmere Fire District	12/31/2022	1,121,238	- ⁽²⁾	1,121,238	25.79%	289,167
Selkirk Fire District	12/31/2022	-	- ⁽²⁾	-	29.96%	-
Slingerlands Fire District	12/31/2022	897,192	- ⁽²⁾	897,192	15.09%	<u>135,386</u>
Total:						<u>\$ 66,263,420</u>

- (1) Outstanding bonds and bond anticipation notes are as of the close of the respective fiscal years and are not adjusted to include subsequent bond or note sales, if any.
- (2) Does not include water and sewer debt and appropriations which is allowed to be excluded from a municipality's gross indebtedness under section 124.10 of the Local Finance Law and Article VIII, Section 5B of the New York State Constitution.
- (3) Estimated State building aid.

Source: Most recent available State Comptroller’s Special Report on Municipal Affairs for Local Finance for fiscal years ended 2022 for county and 2023 for the school districts.

Debt Ratios

The following table sets forth certain ratios relating to the Town's indebtedness as of April 11, 2024.

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness (see "Debt Statement Summary")	\$ 19,298,438	\$ 552.28	0.37%
Net Indebtedness Plus Net Overlapping Indebtedness ^(c)	85,561,858	2,448.61	1.64%

(a) The 2022 estimated population of the Town is 34,943. (See "Population Trends" herein.)

(b) The Town's total full valuation of taxable real property for the 2024 Town tax roll is \$5,225,404,559. (See "TAX INFORMATION" herein.)

(c) The Town's estimated applicable share of net underlying indebtedness is \$66,263,420. (See "Estimated Overlapping Indebtedness" herein.)

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors' Provision. Each Note when duly issued and paid for will constitute a contract between the Town and the holder thereof. Under current law, provision is made for contract creditors of the Town to enforce payments upon such contracts, if necessary, through court action. Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the Town upon any judgment or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centum per annum from the date due to the date of payment. This provision might be construed to have application to the holders of the Notes in the event of a default in the payment of the principal of and interest on the Notes.

Execution/Attachment of Municipal Property. 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 certain funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the Town may not be enforced by levy and execution against property owned by the Town.

Authority to File for Municipal Bankruptcy. The Federal Bankruptcy Code allows public bodies, such as the Town, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

The State has consented that any municipality in the State may file a petition with the 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, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, being Chapter 9 thereof, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debt including judicial control over identifiable and unidentifiable creditors.

No current state law purports to create any priority for holders of the Notes should the Town be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness.

The rights of the owners of Notes to receive interest and principal from the Town could be adversely affected by the restructuring of the Town's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of debt obligations issued by the Town (including the Notes) to payment from monies retained in any debt service fund or from other cash resources would be recognized if a petition were filed by or on behalf of the Town under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights; such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality which is insolvent or unable to meet its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality's debt, which may modify or alter the rights of creditors and which could be secured. Any plan of adjustment confirmed by the court must be approved by the requisite number of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

State Debt Moratorium Law. There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

At the Extraordinary Session of the State Legislature held in November, 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The City of New York. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, the Court of Appeals, the State's highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such City of its faith and credit for the payment of obligations.

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law described below enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the City.

Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law. The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an "emergency financial control board" for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such municipality (or by its emergency financial control board in the event said board requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law ("Title 6-A") effectively prohibits the doing of any act for ninety days in the payment of claims, against the municipality including payment of debt service on outstanding indebtedness.

This includes staying the commencement or continuation of any court proceedings seeking payment of debt service due, the assessment, levy or collection of taxes by or for the municipality or the application of any funds, property, receivables or revenues of the municipality to the payment of debt service. The stay can be vacated under certain circumstances with provisions for the payment of amounts due or overdue upon a demand for payment in accordance with the statutory provisions set forth therein. The filing of a petition may be accompanied with a proposed repayment plan which upon court order approving the plan, may extend any stay in the payment of claims against the municipality for such "additional period of time as is required to carry out fully all the terms and provisions of the plan with respect to those creditors who accept the plan or any benefits thereunder." Court approval is conditioned, after a hearing, upon certain findings as provided in Title 6-A.

A proposed plan can be modified prior to court approval or disapproval. After approval, modification is not permissible without court order after a hearing. If not approved, the proposed plan must be amended within ten days or else the stay is vacated and claims including debt service due or overdue must be paid. It is at the discretion of the court to permit additional filings of amended plans and continuation of any stay during such time. A stay may be vacated or modified by the court upon motion of any creditor if the court finds after a hearing, that the municipality has failed to comply with a material provision of an accepted repayment plan or that due to a "material change in circumstances" the repayment plan is no longer in compliance with statutory requirements.

Once an approved repayment plan has been completed, the court, after a hearing upon motion of any creditor, or a motion of the municipality or its emergency financial control board, will enter an order vacating any stay then in effect and enjoining of creditors who accepted the plan or any benefits thereunder from commencing or continuing any court action, proceeding or other act described in Title 6-A relating to any debt included in the plan.

Title 6-A requires notice to all creditors of each material step in the proceedings. Court determinations adverse to the municipality or its financial emergency control board are appealable as of right to the appellate division in the judicial department in which the court is located and thereafter, if necessary, to the Court of Appeals. Such appeals stay the judgment or appealed from and all other actions, special proceedings or acts within the scope of Section 85.30 of Title 6-A pending the hearing and determination of the appeals.

Whether Title 6-A is valid under the Constitutional provisions regarding the payment of debt service is not known. However, based upon the decision in the Flushing National Bank case described above, its validity is subject to doubt.

While the State Legislature has from time to time adopted legislation in response to a municipal fiscal emergency and established public benefit corporations with a broad range of financial control and oversight powers to oversee such municipalities, generally such legislation has provided that the provisions of Title 6-A are not applicable during any period of time that such a public benefit corporation has outstanding indebtedness issued on behalf of such municipality.

Fiscal Stress and State Emergency Financial Control Boards. Pursuant to Article IX Section 2(b)(2) of the State Constitution, any local government in the State may request the intervention of the State in its “property, affairs and government” by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and approve collective bargaining agreements in certain cases. Implementation is left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, on a certificate of necessity of the governor reciting facts which in the judgment of governor constitute an emergency requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each house of the State legislature the State is authorized to intervene in the “property, affairs and governments” of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of local government is further supported by Article VIII, Section 12 of the Constitution which declares it to be the duty of the State legislature to restrict, subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

In 2013, the State established a new state advisory board to assist counties, cities, towns and villages in financial distress. The Financial Restructuring Board for Local Governments (the “FRB”), is authorized to conduct a comprehensive review of the finances and operations of any such municipality deemed by the FRB to be fiscally eligible for its services upon request by resolution of the municipal legislative body and concurrence of its chief executive. The FRB is authorized to make recommendations for, but cannot compel improvement of fiscal stability, management and delivery of municipal services, including shared services opportunities and is authorized to offer grants and/or loans of up to \$5,000,000 through a Local Government Performance and Efficiency Program to undertake certain recommendations. If a municipality agrees to undertake the FRB recommendations, it will be automatically bound to fulfill the terms in order to receive the aid.

The FRB is also authorized to serve as an alternative arbitration panel for binding arbitration.

Although from time to time, there have been proposals for the creation of a statewide financial control board with broad authority over local governments in the State, the FRB does not have emergency financial control board powers to intervene such as the public benefit corporations established by special acts as described above.

Several municipalities in the State are presently working with the FRB. The Town has not requested FRB assistance nor does it reasonably expect to do so in the foreseeable future. School districts and fire districts are not eligible for FRB assistance.

Constitutional Non-Appropriation Provision. There is in the Constitution of the State, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: “If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness.” This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. See “General Municipal Law Contract Creditors’ Provision” herein.

The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

Default Litigation. In prior years, certain events and legislation affecting a holder’s remedies upon 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 political subdivisions of the State require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service. See “Nature of Obligation” and “State Debt Moratorium Law” herein.

No Past Due Debt. No principal of or interest on Town indebtedness is past due. The Town has never defaulted in the payment of the principal of and interest on any indebtedness.

MARKET AND RISK FACTORS

There are various forms of risk associated with investing in the Notes. The following is a discussion of certain events that could affect the risk of investing in the Notes. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential investment risk.

The financial and economic condition of the Town as well as the market for the Notes could be affected by a variety of factors, some of which are beyond the Town's control. There can be no assurance that adverse events in the State and in other jurisdictions, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Notes. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the Town to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Notes could be adversely affected.

The Town is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes and revenues in order to pay State aid to municipalities and school districts in the State, including the Town, in any year, the Town may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the Town. In some years, the Town has received delayed payments of State aid which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also "THE TOWN - State Aid").

There are a number of general factors which could have a detrimental effect on the ability of the Town to continue to generate revenues, particularly property taxes. For instance, the termination of a major commercial enterprise or an unexpected increase in tax certiorari proceedings could result in a significant reduction in the assessed valuation of taxable real property in the Town. Unforeseen developments could also result in substantial increases in Town expenditures, thus placing strain on the Town's financial condition. These factors may have an effect on the market price of the Notes.

If a holder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. If and when a holder of any of the Notes should elect to sell a Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Notes. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Notes is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

Amendments to U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Notes and other debt issued by the Town. Any such future legislation would have an adverse effect on the market value of the Notes (See "TAX MATTERS" herein).

The Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the Town and continuing technical and constitutional issues raised by its enactment and implementation could have an impact upon the finances and operations of the Town and hence upon the market price of the Notes. See "TAX LEVY LIMITATION LAW" herein.

Cybersecurity

The Town, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the Town faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. No assurances can be given that such security and operational control measures implemented would be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage Town digital networks and systems and the costs of remedying any such damage could be substantial.

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

TAX MATTERS

The Notes. In the opinion of Hodgson Russ LLP, Albany, New York, Bond Counsel, under existing law, interest on the Notes is excludable from the gross income of the owners thereof for federal income tax purposes, assuming compliance with certain covenants and the accuracy of certain representations. Further, (a) the Town or another Person, by failing to comply with the requirements contained in the Internal Revenue Code of 1986, as amended (the “Code”), may cause interest on the Notes to become subject to federal income taxation from the date of issuance thereof, (b) interest on the Notes is not an “item of tax preference” for purposes of the individual alternative minimum tax imposed by the Code, and (c) interest on the Notes is included in the tax base for purposes of computing the branch profits tax under Section 884 of the Code. In addition, we note that, interest on the Notes will be included in the adjusted financial statement income of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

Tax Requirements. In rendering the foregoing opinions, Bond Counsel noted that exclusion of the interest on the Notes from gross income for federal income tax purposes may be dependent, among other things, on compliance with the applicable requirements of Sections 141, 148 and 149 of the Code and the regulations thereunder (collectively, the “Tax Requirements”). In the opinion of Bond Counsel, the Tax Compliance Certificate establishes requirements and procedures, compliance with which will satisfy the Tax Requirements.

In the Tax Compliance Certificate, the Town has covenanted to comply with the Tax Requirements, and refrain from taking any action which would cause the interest on the Notes to be includable in gross income for federal income tax purposes. Any violation of the Tax Requirements may cause the interest on the Notes to be included in gross income for federal income tax purposes from the date of issuance of the Notes. Hodgson Russ LLP expresses no opinion regarding other federal tax consequences arising with respect to the Notes.

Bank Qualified. The Notes will be designated as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Code.

Other Impacts. Prospective purchasers of the Notes should be aware that ownership of, accrual or receipt of interest on, or disposition of, the Notes may have collateral federal income tax consequences for certain taxpayers, including financial institutions, property and casualty insurance companies, S Corporations, certain foreign corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their tax advisers as to any possible collateral consequences from their ownership of, or receipt of interest on, or disposition of, the Notes. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

Information Reporting and Backup Withholding. In general, information reporting requirements will apply to non-corporate holders with respect to payments of principal, payments of interest and the proceeds of the sale of a Note before maturity within the United States. Backup withholding may apply to holders of the Note under Section 3406 of the Code. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner’s United States Federal income tax provided the required information is furnished to the Internal Revenue Service (the “Service”).

Future Legislation. Bond Counsel has not undertaken to advise in the future whether any events occurring after the date of issuance of the Notes may affect the tax status of interest on the Notes. The Code has been continuously subject to legislative modifications, amendments and revisions, and proposals for further changes are regularly submitted by leaders of the legislative and executive branches of the federal government.

No representation is made as to the likelihood of such proposals being enacted or, if enacted, the effective date of any such legislation, and no assurances can be given that such proposals or amendments will not materially and adversely affect the economic value of the Notes or the tax consequences of ownership of the Notes.

Prospective purchasers of the Notes should consult their own tax advisers regarding pending or proposed federal and state tax legislation and court proceedings, and prospective purchasers of the Notes at other than their original issuance at the respective prices set indicated on the cover of this Official Statement should also consult their own tax advisers regarding other tax considerations, such as the consequences of market discount, as to which Bond Counsel expresses no opinion.

New York State Taxes. In the opinion of Bond Counsel, interest on the Notes is exempt, under existing statutes, from New York State and New York City personal income taxes.

Miscellaneous. All quotations from and summaries and explanations of provisions of laws do not purport to be complete and reference is made to such laws for full and complete statements of their provisions.

Bond Counsel's engagement with respect to the Notes ends with the issuance of the Notes. Bond Counsel has not undertaken to advise in the future whether any events occurring after the date of issuance of the Notes may affect the tax status of interest on the Notes. Unless separately engaged, Bond Counsel is not obligated to defend the Town or the owners of the Notes regarding the tax status of the interest thereon in the event of an audit examination by the IRS.

ALL PROSPECTIVE PURCHASERS OF THE NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE AS TO THE TAX CONSEQUENCES OF PURCHASING OR HOLDING THE NOTES.

LEGAL MATTERS

The legality of the authorization and issuance of the Notes will be covered by the unqualified legal opinion of Hodgson Russ LLP, Bond Counsel, Albany, New York. Such legal opinion will state that in the opinion of Bond Counsel (i) the Notes have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Town, all the taxable property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon (Subject to certain statutory limitations imposed by Chapter 97 of the 2011 Laws of New York), without limitation as to rate or amount, provided, that the enforceability (but not the validity) of the Notes may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal) affecting the enforcement of creditors' rights, (a) may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or federal) affecting the enforcement of creditors' rights, and (b) may be subject to the exercise of judicial discretion in appropriate cases, (ii) the Town has the power to comply with its covenant included in its arbitrage certificate with respect to the Notes relating to compliance with the Code as it relates to the Notes; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal) affecting the enforcement of creditors' rights; and (iii) assuming that the Town complies with such covenants interest on the Notes is not includable in the gross income of the owners thereof for Federal income tax purposes under existing statutes and court decisions. Moreover, interest on the Notes is not an "item of tax preference" for purposes of the individual alternative minimum tax. Moreover, interest on the Notes may be subject to a branch profits tax of up to 30% when owned by certain foreign corporations. Furthermore, interest on the Notes may be subject to a tax at ordinary income rates when owned by "S Corporations" in certain cases. In addition, we note that, interest on the Notes will be included in the adjusted financial statement income of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, including The City of New York. Bond Counsel will express no opinion regarding other federal income tax consequences arising with respect to the Notes.

Such legal opinion also will state that (i) in rendering the opinions expressed therein, Bond Counsel has assumed the accuracy and truthfulness of all public records, documents and proceedings examined by Bond Counsel which have been executed or certified by public officials acting within the scope of their official capacities, and has not verified the accuracy or truthfulness thereof, and Bond Counsel also has assumed the accuracy of the signatures appearing upon such public records, documents and proceedings and such certifications; (ii) the scope of Bond Counsel's engagement in relation to the issuance of the Notes has extended solely to the examination of the facts and law incident to rendering the opinions expressed therein; (iii) the opinions expressed therein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Town together with other legally available sources of revenue, if any, will be sufficient to enable the Town to pay the principal of and interest on the Notes as the same respectively become due and payable; (iv) reference should be made to the Official Statement for factual information which, in the judgment of the Town, would materially affect the ability of the Town to pay such principal and interest; and (v) while Bond Counsel has participated in the preparation of the Official Statement, Bond Counsel has not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, no opinion is expressed by Bond Counsel as to whether the Town, in connection with the sale of the Notes, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

LITIGATION

The Town is subject to a number of lawsuits in the ordinary conduct of its affairs. The Town does not believe, however, that such suits, individually or in the aggregate, are likely to have a material adverse effect on the financial condition of the Town.

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the Town, threatened against or affecting the Town to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the Town taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the Town.

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), the Town will enter into a Continuing Disclosure Undertaking, descriptions of which are attached hereto as “APPENDIX – C, FORM OF UNDERTAKING TO PROVIDE NOTICES OF EVENTS”.

Historical Continuing Disclosure Compliance

The Town has complied with all previous Undertakings in all material respects pursuant to the Rule within the past five years.

MUNICIPAL ADVISOR

Fiscal Advisors & Marketing, Inc. (the "Municipal Advisor") is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the Town on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Notes. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the Town and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Town or the information set forth in this Official Statement or any other information available to the Town with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the Town to Fiscal Advisors are partially contingent on the successful closing of the Notes.

CUSIP IDENTIFICATION NUMBERS

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Notes. All expenses in relation to the printing of CUSIP numbers on the Notes will be paid for by the Town provided, however; the Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

RATINGS

The Notes are NOT rated.

S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”) has assigned its underlying rating of “AA+” with a stable outlook to the Town’s outstanding bonds. A rating reflects only the view of the rating agency assigning such rating, and any explanation of the significance of such rating may be obtained from Standard & Poor’s Credit Market Services, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 553-0038, Fax: (212) 553-1390.

Moody’s Investors Service (“Moody’s”) has assigned their rating of “Aa2” to the Town’s outstanding general obligations bonds. This rating reflects only the view of Moody’s and any desired explanation of the significance of such rating should be obtained from Moody’s Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, NY 10007, Phone: (212) 553-0038, Fax: (212) 553-1390.

Generally, rating agencies base their ratings on the information and materials furnished to it and on investigations, studies and assumptions by the respective rating agency. There is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant. Any downward revision or withdrawal of the rating of the bonds may have an adverse effect on the market price of the Notes.

MISCELLANEOUS

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are “forward-looking statements”, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the Town management’s beliefs as well as assumptions made by, and information currently available to, the Town management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the Town’s files with the repositories. When used in Town documents or oral presentation, the words “anticipate”, “believe”, “intend”, “plan”, “foresee”, “likely”, “estimate”, “expect”, “objective”, “projection”, “forecast”, “goal”, “will”, or “should”, or similar words or phrases are intended to identify forward-looking statements.

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Notes.

References herein to the Constitution of the State and various State and federal laws are only brief outlines of certain provisions thereof and do not purport to summarize or describe all of such provisions.

Concurrently with the delivery of the Notes will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to limitation as to information in the Official Statement obtained from sources other than the Town as to which no representation can be made.

The Official Statement is submitted only in connection with the sale of the Notes by the Town and may not be reproduced or used in whole or in part for any other purpose.

Hodgson Russ LLP, Albany, New York, Bond Counsel to the Town, expressed no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the Town for use in connection with the offer and sale of the Bonds, including but not limited to, the financial or statistical information in this Official Statement.

The Town hereby disclaims any obligation to update developments of the various risk factors or to announce publicly any revision to any of the forward-looking statements contained herein or to make corrections to reflect future events or developments except to the extent required by Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Fiscal Advisors & Marketing, Inc. may place a copy of this Official Statement on its website at www.fiscaladvisors.com. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Fiscal Advisors & Marketing, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the Town nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the Town disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Fiscal Advisors & Marketing, Inc. and the Town also assumes no liability or responsibility for any errors or omissions or for any updates to dated website information.

The Town’s contact information is as follows: Mr. Michael E. Cohen, Town Comptroller, Town Hall, Room 205, 445 Delaware Avenue, Delmar, New York 12054, Phone: (518) 439-4955, Telefax: (518) 475-0520, email: mcohen@townofbethlehem.org

TOWN OF BETHLEHEM

Dated: April 18, 2024

DAVID VAN LUVEN
Town Supervisor

FORM OF UNDERTAKING TO PROVIDE NOTICES OF EVENTS

This undertaking to provide notice of certain designated events (the “Disclosure Undertaking”) is executed and delivered by the Town of Bethlehem, a town of the State of New York (the “Issuer”) in connection with the issuance of its **\$4,930,000 Bond Anticipation Notes, 2024** (the “Security”). The Security has a stated maturity of 18 months or less. The Issuer hereby covenants and agrees as follows:

Section 1. Obligation to Provide Notices of Events. (a) The Issuer hereby undertakes (for the benefit of Security Holders) to provide (or cause to be provided either directly or through a dissemination agent) to EMMA (or any successor thereto) in an electronic format (as prescribed by the MSRB) in a timely manner (not in excess of ten business days after the occurrence of any such event) notice of any of the following events with respect to the Security:

- (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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the Security, or other material events affecting the tax status of the Security;
- (7) Modifications to rights of Security Holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Security, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the obligated person;

Note to paragraph (12): For the purposes of the event identified in paragraph (12) of this section, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect Security Holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) The Issuer may choose to disseminate other information in addition to the information required as part of this Disclosure Undertaking. Such other information may be disseminated in any manner chosen by the Issuer. If the Issuer disseminates any such additional information, the Issuer shall have no obligation to update such information or include it in any future materials disseminated pursuant to this Disclosure Undertaking.

(c) The Issuer may choose to provide notice of the occurrence of certain other events, in addition to those listed in Section 1(a) above, if the Issuer determines that any such other event is material with respect to the Security; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

Section 2. Definitions

“EMMA” shall mean Electronic Municipal Market Access System implemented by the MSRB.

“Financial Obligation” shall mean a (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) guarantee of (A) or (B). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

“MSRB” shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Undertaking.

“Purchaser” shall mean the financial institution referred to in a certain Certificate of Determination that is being delivered by the Issuer in connection with the issuance of the Security.

“Rule 15c2-12” shall mean Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended through the date of this Disclosure Undertaking, including any official interpretations thereof.

“Security Holder” shall mean any registered owner of the Security and any beneficial owner of the Security within the meaning of Rule 13d-3 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

Section 3. Remedies. If the Issuer fails to comply with any provision of this Disclosure Undertaking, then any Security Holder may enforce, for the equal benefit and protection of all Security Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Disclosure Undertaking against the Issuer and any of the officers, agents and employees of the Issuer, and may compel the Issuer or any such officers, agents or employees to perform and carry out their duties under this Disclosure Undertaking; provided that the sole and exclusive remedy for breach of this Disclosure Undertaking shall be an action to compel specific performance of the obligations of the Issuer hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances. Failure to comply with any provision of this Disclosure Undertaking shall not constitute an event of default on the Security.

Section 4. Parties in Interest. This Disclosure Undertaking is executed to assist the Purchaser to comply with paragraph (b)(5) of Rule 15c2-12 and is delivered for the benefit of the Security Holders. No other person has any right to enforce the provisions hereof or any other rights hereunder.

Section 5. Amendments. Without the consent of any Security Holders, at any time while this Disclosure Undertaking is outstanding, the Issuer may enter into any amendments or changes to this Disclosure Undertaking for any of the following purposes:

- (a) to comply with or conform to any changes to Rule 15c2-12 (whether required or optional);
- (b) to add a dissemination agent for the information required to be provided as part of this Disclosure Undertaking and to make any necessary or desirable provisions with respect thereto;
- (c) to evidence the succession of another person to the Issuer and the assumption of any such successor of the duties of the Issuer hereunder;
- (d) to add to the duties of the Issuer for the benefit of the Security Holders, or to surrender any right or power herein conferred upon the Issuer;
- (e) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Disclosure Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change; provided that no such action pursuant to this Section 5 shall adversely affect the interests of the Security Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

Section 6. Termination. (a) This Disclosure Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Security shall have been paid in full or the Security shall have otherwise been paid or legally defeased in accordance with their terms. Upon any such legal defeasance, the Issuer shall provide notice of such defeasance to EMMA. Such notice shall state whether the Security has been defeased to maturity or to redemption and the timing of such maturity or redemption.

(b) In addition, this Disclosure Undertaking, or any provision hereof, shall be null and void in the event that those portions of Rule 15c2-12 which require this Disclosure Undertaking, or such provision, as the case may be, do not or no longer apply to the Security, whether because such portions of Rule 15c2-12 are invalid, have been repealed, or otherwise.

Section 7. Undertaking to Constitute Written Agreement or Contract. This Disclosure Undertaking shall constitute the written agreement or contract for the benefit of Security Holders, as contemplated under Rule 15c2-12.

Section 8. Governing Law. This Disclosure Undertaking shall be governed by the laws of the State of New York determined without regard to principles of conflict of law.

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Disclosure Undertaking as of **May __, 2024**.

TOWN OF BETHLEHEM

By: /s/ _____
Town Supervisor

TOWN OF BETHLEHEM

AUDITED FINANCIAL REPORT

Fiscal Year Ended December 31, 2022

Such Audited Financial Statement and opinion were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.

The Town's independent auditor has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Town's independent auditor also has not performed any procedures relating to this Official Statement.