

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 30, 2022

**NEW ISSUE
SERIAL BONDS**

**RATING: SEE "RATING" HEREIN
BOOK-ENTRY-ONLY**

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that, for tax years beginning after December 31, 2022, interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that interest on the Bonds 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 Bonds. See "Tax Matters" herein.

The Fire District WILL designate the Bonds as "qualified tax-exempt obligations" pursuant to the provisions of Section 265(b)(3) of the Code.

**MAMARONECK FIRE DISTRICT NO. 1
IN THE
TOWN OF MAMARONECK
WESTCHESTER COUNTY, NEW YORK**

\$1,082,000*
VARIOUS PURPOSE (SERIAL) BONDS, 2022
(the "Bonds")

Dated Date: Date of Delivery

Maturity Dates: October 1, 2023 - 2037

The Bonds are general obligations of the Mamaroneck Fire District No. 1 in the Town of Mamaroneck, Westchester County, New York (the "Fire District"), and will contain a pledge of the faith and credit of the Fire District for the payment of the principal thereof and interest thereon and, unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied upon all the taxable real property within the Fire District, subject to applicable statutory limitations (see "Nature of Obligation" and "Tax Levy Limitation Law" herein).

The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof, except for one necessary odd denomination in the first maturity of the Bonds which is or includes \$7,000. Purchasers, as the Beneficial Owners, will not receive certificates representing their ownership interest in the Bonds.

The Bonds are dated their Date of Delivery and will bear interest from that date until maturity at the annual rate or rates as specified by the purchaser of the Bonds, payable on April 1, 2023, October 1, 2023 and semi-annually thereafter on April 1 and October 1 in each year until maturity. The Bonds shall mature on October 1 in each year in the principal amounts specified on the inside cover page hereof. The Bonds will be subject to redemption prior to maturity as described herein. (See "Optional Redemption" herein.)

Capital Markets Advisors, LLC has served as the Municipal Advisor to the Fire District in connection with the issuance of the Bonds. The Bonds are offered subject to the final approving opinion of Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel, and certain other conditions. It is anticipated that the Bonds will be available for delivery through the Facilities of DTC in Jersey City, New Jersey or as otherwise agreed with the purchaser on or about October 4, 2022.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM "DEEMED FINAL" BY THE FIRE DISTRICT FOR THE PURPOSE OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12. FOR A DESCRIPTION OF THE TOWN'S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE BONDS AS DESCRIBED IN THE RULE, SEE "DISCLOSURE UNDERTAKING" HEREIN.

Dated: September __, 2022

*Preliminary, subject to change.

The Bonds will mature on October 1 in the years and amounts as set forth below and are subject to optional redemption prior to maturity:

<u>Date</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP***</u>	<u>Date</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP***</u>
2023	\$57,000	%	%		2031**	\$75,000	%	%	
2024	60,000				2032**	75,000			
2025	65,000				2033**	75,000			
2026	65,000				2034**	80,000			
2027	65,000				2035**	80,000			
2028	70,000				2036**	85,000			
2029	70,000				2037**	90,000			
2030	70,000								

* The principal maturities of the Bonds are subject to adjustment following their sale, pursuant to the terms of the accompanying Notice of Bond Sale.

** The Bonds maturing in the years 2031 and thereafter will be subject to redemption prior to maturity, as described herein. (See “*Optional Redemption*” herein.)

*** CUSIP numbers have been assigned by an independent company not affiliated with the Fire District and are included solely for the convenience of the holders of the Bonds. The Fire District is not responsible for the selection or uses of these CUSIP numbers and no representation is made as to their correctness on the Bonds or as indicated above.

**MAMARONECK FIRE DISTRICT NO. 1
IN THE
TOWN OF MAMARONECK
WESTCHESTER COUNTY, NEW YORK**

JAINÉ ELKIND ENEY

Chairwoman of the Board of Fire Commissioners

BOARD OF FIRE COMMISSIONERS

Abby Katz Commissioner
Sabrina Fiddelman Commissioner
Jeffery King Commissioner
Robin Nichinsky Commissioner

Meredith S. Robson Fire District Administrator
Tracy Yogman, CPA Fire District Treasurer
Allison May Fire District Secretary
William Maker, Jr. Esq. Fire District Attorney
Shaun Hughes Fire Chief

BOND COUNSEL

**EFPR Group, CPAs, PLLC
New York, New York**

MUNICIPAL ADVISOR



CAPITAL MARKETS ADVISORS, LLC
Long Island * Hudson Valley * Southern Tier * Western New York
(516) 274-4504

No dealer, broker, salesman or other person has been authorized by the Fire District to give any information or to make any representations, other than those contained in this Official Statement and if given or made, such other information or representations must not be relied upon as having been authorized by the Fire District. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Fire District from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness. The information 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 Fire District since the date hereof.

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OFFICIAL STATEMENT

MAMARONECK FIRE DISTRICT NO. 1 IN THE TOWN OF MAMARONECK WESTCHESTER COUNTY, NEW YORK

relating to

\$1,082,000*

VARIOUS PURPOSE (SERIAL) BONDS, 2022 (the “Bonds”)

This Official Statement, which includes the cover page, inside cover page, and appendices hereto, presents certain information relating to the Mamaroneck Fire District No. 1 in the Town of Mamaroneck, in the County of Westchester, in the State of New York (the “Fire District”, “Town”, “County” and “State,” respectively) in connection with the sale of \$1,082,000* Various Purpose (Serial) Bonds, 2022 (the “Bonds”).

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the Fire District 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 Bonds and the proceedings of the Fire District relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and such proceedings.

This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic, which emerged in early 2020, has affected education, travel, commerce, financial markets globally and economic growth worldwide. Accordingly, the Fire District’s overall economic situation and outlook (and all of the specific Fire District-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this world-wide event. (See “*RISK FACTORS*” and “*IMPACT OF COVID-19*” herein.)

THE BONDS

Description

The Bonds are dated their date of delivery and will bear interest from such date payable April 1, 2023, October 1, 2023 and semi-annually thereafter on April 1 and October 1 in each year until maturity. The Bonds will mature on October 1 in the years and amounts as described on the inside cover page hereof. The Bonds will be subject to redemption prior to maturity as described herein (See “*Optional Redemption*” herein).

The Bonds will be issued in book-entry form and when issued will be registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”). (See “*Book-Entry-Only System*” herein). DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof, except for one necessary odd denomination in the first maturity of the Bonds which is or includes \$7,000. Purchasers will not receive certificates representing their interest in the Bonds.

Principal of and interest on the Bonds will be paid by the Fire District to DTC which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Purchasers, as the Beneficial Owners of the Bonds, as described herein. The Bonds may be transferred in the manner described on the Bonds and as referenced in certain proceedings of the Fire District referred to therein.

*Preliminary, subject to change.

The record date for the Bonds will be the fifteenth day of the calendar month preceding each interest payment date.

Authority for and Purpose of the Bonds

The Bonds are issued pursuant to the Constitution and Laws of the State, including among others, the Town Law provisions governing fire districts, the Local Finance Law, and a bond resolution duly adopted by the Board of Fire Commissioners (the “Board”) on February 2, 2022 and approved by the voters on March 15, 2022 to fund the purchase of fire fighting vehicles, including apparatus and equipment. The proceeds from the sale of the Bonds will be used to provide new original financing.

Optional Redemption

The Bonds maturing on or before October 1, 2030 are not subject to redemption prior to their stated maturity. The Bonds maturing on or after October 1, 2031 will be subject to redemption prior to maturity, at the option of the Fire District, on any date on or after October 1, 2030, in whole or in part, and if in part in any order of their maturity and in any amount within a maturity (selected by lot within a maturity), at the redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest to the date of redemption.

If less than all the Bonds of any maturity are to be redeemed, the particular bonds of such maturity to be redeemed shall be selected by the Fire District by lot or in any customary manner of selection as determined by the Treasurer of the Fire District. Notice of such a call for redemption shall be given by mailing such notice to the registered owner thereof not more than sixty (60) days nor less than thirty (30) days prior to such date by regular United States mail. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date of redemption set forth in such notice, become due and payable, together with interest accrued to such redemption date, and interest on such Bonds shall cease to be paid after such redemption date.

Nature of Obligation

Each bond when duly issued and paid for will constitute a contract between the Fire District and the holder thereof.

Holders of any series of notes or bonds of the Fire District 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 Bonds will be general obligations of the Fire District and will contain a pledge of the faith and credit of the Fire District for the payment of the principal thereof and the interest thereon as required by Section 100.00 of the Local Finance Law. For the payment of such principal and interest, the Fire District has power and statutory authorization to levy ad valorem taxes on all real property within the Fire District subject to such taxation by the Fire District, subject to applicable statutory limitations.

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 New York Laws of 2011 was signed into law by the Governor (the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to local governments, fire districts and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities, including fire districts, and school districts to levy certain year-to-year increases in real property taxes.

The Fire District is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds 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 Fire District’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 Constitutionally-mandated general obligation pledge of municipalities and school districts (but not district corporations) in New York State, while not directly applicable to fire districts, is effectively applicable by Section 100.00 of the Local Finance Law and 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 noteholders 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. It should be noted that these provisions do not by their terms apply to fire districts.

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.

Investors should note that these Constitutional provisions do not, by their terms, apply to fire districts; however, such cases do provide judicial interpretations of the faith and credit pledge which is required of fire districts by section 100.00 of the Local Finance Law.

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.

TAX LEVY LIMITATION LAW

On June 24, 2011, Chapter 97 of the New York Laws of 2011 was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to 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 applications 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. It also applies to fire districts.

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. It was set to expire on June 15, 2020 unless extended. Recent legislation has made the tax cap permanent. 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 or 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 permissible 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 its fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for such 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 the 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 is not clear.

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors' Provision. Each Bond when duly issued and paid for will constitute a contract between the Fire District and the holder thereof. Under current law, provision is made for contract creditors of the Fire District 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 Fire District 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 Bonds in the event of a default in the payment of the principal of and interest on the Bonds.

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 Fire District may not be enforced by levy and execution against property owned by the Fire District.

Authority to File For Municipal Bankruptcy. The Federal Bankruptcy Code allows public bodies, such as the Fire District, 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 Bonds should the Fire District 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 the Bonds to receive interest and principal from the Fire District could be adversely affected by the restructuring of the Fire District'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 Fire District (including the Bonds) 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 Fire District 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, applicable to municipalities (counties, cities, towns and villages).

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 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. This provision does not apply to fire district by its terms and in any event, no such emergency has been declared with respect to the Fire District.

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 Fire District 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 the 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.

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 to fire districts nor, in general 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 Fire District indebtedness is past due. The Fire District has never defaulted in the payment of the principal of and interest on any indebtedness.

Book-Entry-Only System

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds 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 bond certificate will be issued for each maturity of the Bonds and will be deposited with DTC

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

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds 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 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

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

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the issuer, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Fire District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Fire District, 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 Bonds at any time by giving reasonable notice to the Fire District. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

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

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

Source: The Depository Trust Company

MARKET FACTORS

The financial and economic condition of the Fire District as well as the market for the Bonds could be affected by a variety of factors, some of which are beyond the Fire District'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 Bonds. 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 Fire District to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Bonds, could be adversely affected.

There can be no assurance that the State appropriation for State aid to school districts or municipalities will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the Fire District can be paid only if the State has such monies available therefor. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget or the State's financial condition due to the COVID-19 outbreak and other circumstances, including fiscal stress. In any event, State aid appropriated and apportioned to the Fire District can be paid only if the State has such monies available therefor. (See "*State Aid*" herein).

Should the Fire District fail to receive monies expected from the State in the amounts and at the times expected, the Fire District is permitted to issue revenue anticipation notes in anticipation of the receipt of delayed State aid.

If and when a holder of any of the Bonds should elect to sell a Bond 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 Bonds. In addition, the price and principal value of the Bonds is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond will decline, causing the bondholder to incur a potential capital loss if such bond is sold prior to its maturity.

Amendments to the U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Bonds and other debt issued by the Fire District. Any such future legislation could have an adverse effect on the market value of the Bonds (See "*Tax Matters*" herein).

The enactment of Chapter 97 of the New York Laws of 2011 on June 24, 2011, which imposes a tax levy limitation upon municipalities, school districts, and fire districts in the State, including the Fire District, could have an impact upon operations of the Fire District and as a result, the market price for the Bonds. (See "*Tax Levy Limitation Law*," herein.)

CYBERSECURITY

The Fire District, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the Fire District will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant.

LITIGATION

Except as otherwise set forth herein and apart from matters provided for by applicable insurance coverage, the attorneys for the Fire District are unaware of any claims or action pending which, if determined against the Fire District, would have an adverse material effect on the financial condition of the Fire District.

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 Fire District, threatened against or affecting the Fire District to restrain or enjoin the issuance, sale or delivery of the Bonds or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Bonds or any proceedings or authority of the Fire District take with respect to the authorization, issuance or sale of the Bonds or contesting the corporate existence or boundaries of the Fire District.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and 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 is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that, for tax years beginning after December 31, 2022, interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix D hereto.

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

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

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The Fire District has covenanted to comply with certain restrictions designed to ensure that interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Further, no assurance can be given that pending or future legislation or amendments to the Code, if

enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Bonds.

Certain requirements and procedures contained or referred to in the Arbitrage Certificate, and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Bonds or the interest thereon if any such change occurs or action is taken or omitted.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York), the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds may otherwise affect an owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the owner or the owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

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

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

Payments on the Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate owner of Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against an owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe, LLP Bond Counsel. Bond Counsel's opinion will be in substantially the form attached hereto as Appendix D.

DISCLOSURE UNDERTAKING

In accordance with the requirements of Rule 15c2-12 as the same may be amended or officially interpreted from time to time (the "Rule") promulgated by the Securities and Exchange Commission (the "Commission"), the Fire District has agreed to provide, or cause to be provided,

(1) to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the Final Official Statement dated September 13, 2022 of the Fire District relating to the Bonds under the headings "The Fire District", "Financial Factors", "Tax Information", "Fire District Indebtedness", "Litigation", and Appendices (other than any related to bond insurance) by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending December 31, 2022, and (ii) a copy of the audited financial statement, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending December 31, 2022 such audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the Fire District of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year; and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the Fire District of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;

(2) in a timely manner not in excess of ten business days, to EMMA, notice of the occurrence of any of the following events with respect to the Bonds:

(i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) 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 of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (vii) modifications to rights of Bondholders, if material; (viii) Bond calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Bonds, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the Fire District; (xiii) the consummation of a merger, consolidation, or acquisition involving the Fire District or the sale of all or substantially all of the assets of the Fire District, 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; and (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material; (xv) incurrence of a Financial Obligation (as defined in the Rule) of the Fire District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Fire

District, any of which affect Bond holders, if material; and (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Fire District, any of which reflect financial difficulties.

Event (iii) is included pursuant to a letter for the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (iii) is not applicable, since no “debt service reserves” will be established for the Bonds.

With respect to event (iv) the Fire District does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds.

With respect to event (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Fire District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Fire District, 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 Fire District.

With respect to events (xv) and (xvi) above, the term “Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into with, or pledged as as security or source o payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

The Fire District may provide notice of the occurrence of certain other events, in addition to those listed above, if it determines that any such other event is material with respect to the Bonds; but the Fire District does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above; and

(3) in a timely manner, to EMMA, notice of its failure to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, on or before the date specified.

The Fire District reserves the right to terminate its obligations to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, and notices of material events, as set forth above, if and when the Fire District no longer remains an obligated person with respect to the Bonds within the meaning of the Rule. The Fire District acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Bonds (including holders of beneficial interests in the Bonds). The right of holders of the Bonds to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the Fire District’s obligations under its continuing disclosure undertaking and any failure by the Fire District to comply with the provisions of the undertaking will neither be a default with respect to the Bonds nor entitle any holder of the Bonds to recover monetary damages.

The Fire District reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Fire District; provided that, the Fire District agrees that any such modification will be done in a manner consistent with the Rule.

An undertaking to provide continuing disclosure as described above shall be provided at closing.

Continuing Disclosure History

The Fire District failed to file its 2014, 2015, 2017, and 2018 Adopted Budgets in a timely manner. The filings have since been made. The Fire District has taken steps to ensure that its annual financial information, audited financial statements and adopted budgets will be filed in a timely manner in the future.

The Fire District failed to pay \$25,356.25 of total interest due on June 15, 2020. Although sufficient funds were available on June 15, 2020 in an account established by the Fire District, the Fire District paid said interest on June 18, 2020, immediately after becoming aware of the missed payment. The missed interest payment was due to an administrative error and does not reflect an inability or unwillingness to pay by the Fire District. The Fire District has taken corrective measures to ensure that such an error will not occur again

RATINGS

The Fire District has applied to Moody's Investors Service, Inc. ("Moody's") for a rating on the Bonds. Such application is pending at this time.

On August 22, 2019, Moody's assigned a rating of "Aa1" to the Fire District's outstanding uninsured general obligation bonds.

Such rating reflects only the views of Moody's and any desired explanation of the significance of such rating should be obtained from Moody's, at the following address: Moody's Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007. There can be no assurance that such rating will continue for any specified period of time or that such rating will not be revised or withdrawn, if in the judgment of Moody's circumstances so warrant. Any such change or withdrawal of such rating may have an adverse effect on the market price of the Bonds or the availability of a secondary market for the Bonds.

MUNICIPAL ADVISOR

Capital Markets Advisors, LLC has acted as municipal advisor to the Fire District in connection with the sale of the Bonds.

In preparing the Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources, which have access to relevant data to provide accurate information for the Official Statement, and the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the Fire District to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Bonds.

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 Fire District management's beliefs as well as assumptions made by, and information currently available to, the Fire District 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 Fire District files with the repositories. When used in Fire District 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 Bonds. Orrick, Herrington & Sutcliffe LLP, New York, New York, bond counsel to the Fire District, expresses no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the Fire District 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.

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 Bonds, the Fire District 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 Fire District, as to which no representation can be made.

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

The Fire District 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.

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Additional information may be obtained from Ms. Tracy Yogman, Fire District Treasurer, 740 West Boston Post Road, Mamaroneck, New York, (914) 381-7860 or from the Fire District's Municipal Advisor, Capital Markets Advisors, LLC, 11 Grace Avenue, Suite 308, Great Neck, New York, 11021, (516) 274-4504.

MAMARONECK FIRE DISTRICT NO. 1
TOWN OF MAMARONECK
WESTCHESTER COUNTY, NEW YORK

By: _____
Tracy Yogman
Fire District Treasurer

DATED: September __, 2022

APPENDIX A

THE FIRE DISTRICT

THE FIRE DISTRICT

General Information

The Fire District encompasses an area of approximately 6 square miles in the unincorporated (Town outside of Village) areas of the Town of Mamaroneck (the “Town”). The Town is located in southeastern Westchester County approximately 10 miles north of New York City along the Long Island Sound. The area is primarily residential in character, with some commercial development. Most residential development consists of single-family homes, but townhouse complexes and estates are also located within the area. Commercial facilities mainly include professional buildings and suburban shopping centers.

The population of the Fire District is estimated to be 11,231. Most residents are employed throughout Westchester County or Manhattan where they hold positions in industry, finance and are engaged in various professions.

Rail transportation is provided by the Metro North Railroad (now part of the Metropolitan Transit Authority). Highways serving the Town include the New England Thruway (Interstate I-95) and the Hutchinson River Parkway. The area is also covered by an extensive network of County and Town roads.

Form of Government

The Board of Fire Commissioners is the governing body of the Fire District and consists of four Board members, elected at large to serve four-year terms, plus the Chairwoman who is also the Town Supervisor in a separate capacity. The Fire Commissioners, who are also Town Board members in a separate capacity, may serve an unlimited number of terms. The original issuance of all Fire District indebtedness is subject to approval by the Board of Fire Commissioners and subsequently by a vote by Fire District residents.

The Fire District is an independent political subdivision of the State of New York and debt issued by the Fire District is solely debt of the Fire District. There is no liability of the Town itself for debt of the Fire District, although the geographical boundaries of the Town (outside of Village) are congruent with the Fire District.

The Town Clerk also acts as the Fire District Secretary and as such is the custodian of the Fire District's records as well as the clerk to the Board of Fire Commissioners.

Employees

The Fire District provides services through 14 full-time employees, who are represented by the following unit of organized labor.

<u>Employees</u>		
<u>Number of Employees</u>	<u>Contract Organization</u>	<u>Contract Expiration Date</u>
14	Uniformed Firefighters Association	12/31/23

Source: Fire District Officials.

Employee Pension Benefits

Substantially all employees of the Fire District are members of the New York State and Local Police and Fire Retirement System (the “PFRS”, referred to hereinafter as the “Retirement System”, where appropriate). The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement and Social Security Law (the “Retirement System Law”). The Retirement System 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 ten years of credited service. The Retirement System Law generally provides that all participating employers in the 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 System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 through and including December 31, 2009, must contribute three percent of their gross annual salary toward the costs of retirement programs until they attain ten years in the

Retirement System, at such time contributions become voluntary. Members hired after January 1, 2010 must contribute three or more percent of their gross annual salary toward the costs of retirement programs for the duration of their employment.

On March 16, 2012, Governor Cuomo signed into law the new Tier 6 pension program, effective for new PFRS employees hired after April 1, 2012. The Tier 6 legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. As of April 9, 2022, Tier 5 and 6 members only need five years of service credit to be vested. This affects members of both ERS and PFRS. Previously, Tier 5 and 6 members needed 10 years of service to be eligible for a service retirement benefit.

Firefighters who are members of PFRS are divided into four tiers. Retirement benefit plans available under PFRS are most liberal for Tier 1 employees. The plans adopted for PFRS employees are noncontributory for Tier 1 and Tier 2 employees. Firefighters that were hired between July 1, 2009 and January 8, 2010 are currently in Tier 3, which has a 3% employee contribution rate by members. There is no Tier 4 in PFRS. Firefighters hired after January 9, 2010 are in Tier 5 which also requires a 3% employee contribution from members. Firefighters hired after April 1, 2012 are in Tier 6, which also originally had a 3% contribution requirement for members for FY 12-13; however, as of April 1, 2013, Tier 6 PFRS members are required to contribute a specific percentage of their annual salary, as follows, until retirement or until the member has reached 32 years of service credit, whichever occurs first: \$45,000.00 or less contributes 3%; \$45,000.01 to \$55,000.00 contributes 3.5%; \$55,000.01 to \$75,000.00 contributes 4.5%; \$75,000.01 to \$100,000.00 contributes 5.75%; and more than \$100,000.00 contributes 6%.

Beginning July 1, 2013, a voluntary defined contribution plan option was made available to all unrepresented employees of New York State public employers hired on or after that date, and who earn \$75,000 or more on an annual basis.

The New York State Retirement System has advised the Fire District that municipalities can elect to make employer contribution payments in the December or the following February, as required. If such payments are made in the December prior to the scheduled payment date in February, such payments may be made at a discount amount. The Fire District has prepaid its employer contributions each December since the option was made available in 2004.

For the five years 2017 through 2021, the Fire District's contributions to the PFRS were: \$320,443, \$327,163, \$342,074, 356,391 and \$461,507 respectively.

Due to significant capital market declines in the recent past, the State's Retirement System portfolio has experienced negative investment performance and severe downward trends in market earnings. As a result of the foregoing, New York State Comptroller Thomas DiNapoli has announced that the employer contribution rate for the State's Retirement System in 2011 and subsequent years will be higher than the minimum contribution rate established by State law. To mitigate the expected increases in the employer contribution rate, legislation has been enacted that would permit local governments and school districts to borrow a portion of their required payments from the State pension plan at an interest rate of 5% percent. The new legislation also authorizes local governments and school districts to establish reserve accounts to fund future payment increases that are a result of fluctuations in pension plan performance. The Fire District did not establish such a reserve account.

Pension Trust – Service Awards Program

The Fire District, pursuant to Article 11-A of General Municipal Law and legislative resolution, has established a Service Awards Program ("Program") for volunteer firefighters. This Program is a single employer defined benefit plan. Active volunteer firefighters, upon attainment of age 18, and after a year of service credit in a calendar year after 1994 under the provisions of the Program point system, are eligible to become participants in the Program. Participants are fully vested upon attainment of entitlement age, upon death or upon general disablement and after earning five years of service credit. A participant, upon attainment of entitlement age (the later of age 65 or the participant's age after earning one year of service credit) shall be able to receive their service award, payable in the form of a ten-year certain and continuous monthly payment life annuity. The monthly benefits are \$20 for each year of service credit, up to a maximum of \$800. The Program also provides disability and death benefits. The trustees of the Program, who are the members of the Fire District's Board of Commissioners, are authorized to invest the funds in authorized investment vehicles.

The Fire District is required to contribute the amounts necessary to finance the plan as actuarially determined using the attained age normal frozen initial liability cost method. The assumed investment rate of return is 4.75% and there are no cost

of living adjustments. The Fire District’s contributions to the Program for the five most recent, audited fiscal years were as follows:

<u>Fiscal Year Ended</u> <u>December 31</u>	<u>Annual</u> <u>Contribution</u>
2017	59,638
2018	61,843
2019	62,503
2020	68,674
2021	74,745

Note: Table itself not audited.

Other Post Employment Benefits

The Fire District’s post-retirement healthcare benefits and other non-pension benefits (“OPEB”) are included in the Town’s GASB 75 report as part of the Town and all of its special districts (although the Fire District is an independent political subdivision). At this time the Fire District’s OPEB obligations have not been separated from the Town’s data. The Town has determined that its total OPEB liability as of December 31, 2021 was \$98,355,411 using a discount rate of 2.25%. For financial reporting purposes, the Town has elected to amortize the Actuarial Accrued Liability (“AAL”) over 30 years. For the year ended December 31, 2021, the Town’s recognized OPEB expense was 5,174,081. At this time, New York State has not developed guidelines for the creation of methods for the funding of OPEB. The Fire District continues funding the expenditure on a pay-as-you-go basis.

FINANCIAL FACTORS

Budgetary Procedure

The head of each administrative unit of the Town is required to file detailed estimates of revenues (other than real property taxes) and expenditures for the next fiscal year with the Budget Officer (Town Administrator) on or before October 20th. Estimates for the Fire District situated within the Town must also be filed with the Budget Officer by this date; however, the Town has no authority to change a Fire District budget. After reviewing these estimates, the Budget Officer prepares a tentative budget which includes his recommendations. A budget message explaining the main features of the budget is also prepared at this time. The tentative budget is filed with the Town Clerk not later than the 30th of October. Subsequently, the Town Clerk presents the tentative budget to the Town Board at a regular or special hearing which must be held by November 10th. The Board of Fire Commissioners reviews the tentative budget and makes such changes as it deems necessary and that are not inconsistent with the provisions of law. Following this review process, the tentative budget and such modifications, if any, as approved by the Board of Fire Commissioners becomes the preliminary budget. A public hearing, notice of which must be duly published in the Town’s official newspaper, on the preliminary budget is required to be held on or before the 10th day of December. At such hearing, any person may express his opinion concerning the preliminary budget; however, there is no requirement or provision that the preliminary budget or any portion thereof be voted on by members of the public. After the public hearing, the Board of Fire Commissioners may further change and revise the preliminary budget. The Board of Fire Commissioners, by resolution, adopts the preliminary budget as submitted or amended not later than December 20th, at which time, the preliminary budget becomes the annual budget of the Fire District for the ensuing fiscal year. Any changes or modifications to the annual budget must be approved by resolution of the Board of Fire Commissioners.

Independent Audits

Although the Fire District is an independent political subdivision of the State, the financial statements of the Fire District are audited by the firm of EFPR Group, CPAs, PLLC, independent certified public accountants, as a component of the Town of Mamaroneck’s financial statements. Appendix B to this Official Statement presents a summary of the audited financial statements for the fiscal years ended December 31, 2017 through 2021 inclusive.

Basis of Accounting

The financial statements of the Town, which include the financial statements of the Fire District, are prepared on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded in the accounting period in which they are “measurable” and “available” to finance current operations. Revenues susceptible to accrual include real property taxes, services to other governments, intergovernmental revenues and operating transfers. Expenditures are generally recognized under the modified accrual basis that is when the related fund liability is incurred. Exceptions to this general rule are (1) payments to employee retirement systems which are recorded in the general long-term obligations account group and recognized as an expenditure when due, (2) unmatured interest on general long-term debt which is recognized as an expenditure when due and (3) compensated absences which are charged to expenditures when paid.

Revenues

Property Taxes. The Fire District derives substantially all of its revenues from a tax on real property (see “Statement of Revenues, Expenditures and Changes in Fund Balance” in Appendix B.) Property taxes accounted for 98.0% of total fire district revenues for the fiscal year ended, December 31, 2021.

The following table sets forth total fund revenues and real property taxes received for each of the past five audited fiscal years and the amounts budgeted for the current fiscal year.

Fund Revenues & Real Property Taxes

<u>Fiscal Year</u> <u>Ended December 31:</u>	<u>Total</u> <u>Revenues</u>	<u>Real</u> <u>Property Taxes</u>	<u>Taxes to</u> <u>Revenues</u>
2017	\$3,637,441	\$3,598,699	98.9%
2018	4,267,038	3,790,191	88.8
2019	3,945,030	3,872,714	98.2
2020	4,208,633	4,160,578	98.9
2021	4,445,669	4,356,096	98.0
2022 (Adopted Budget)	4,486,400	4,442,400	99.0

Source: Audited Financial Statements and Adopted Budget of the Fire District. Adopted Budget not audited. Summary itself not audited.

TAX INFORMATION

Valuations and Tax Data

The Fire District is responsible for levying taxes for operating purposes and debt service. Real property in the Fire District is assessed by the Town. (See also “TAX LEVY LIMITATION LAW” herein.)

The following table shows the trend during the last five years for taxable assessed valuations, state equalization ratios, full valuations, real property taxes and real property tax rates per \$1,000 assessed valuation within the Fire District.

Valuations and Tax Data

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Assessed Value	\$4,310,659,752	\$4,333,316,950	\$4,327,051,466	\$4,324,239,013	\$4,479,156,334
Equal. Ratio	1.0000	1.0000	1.0000	1.0000	1.0000
Full Value	4,310,659,752	4,333,316,950	4,327,051,466	4,324,239,013	4,479,156,334
Tax Levy ⁽¹⁾	3,793,648	3,878,973	4,160,698	4,356,096	4,442,400
Tax Rate per \$1,000AV ⁽¹⁾	0.88	0.90	0.96	1.01	0.99

(1) Data reflects the Fire District.

Source: Town officials on behalf of the Fire District and the New York State Board of Equalization and Assessment.

Tax Collection Procedures

Real property tax payments are due in two equal installments. First half taxes may be paid without penalty to February 10, and second half taxes may be paid without penalty to August 10. Penalties for delinquent tax payments are 1% per month.

The Town Receiver of Taxes collects all real estate taxes for the Town, County, Fire District and special district purposes on a single bill. The Town Receiver of Taxes distributes the collected tax money to both the Town and Fire District prior to distributing the balance collected to the County. The Fire District thereby is assured of 100% tax collections.

Ten of the Largest Taxpayers

The following table presents the tentative taxable assessments of ten of the Town’s largest taxpayers for the 2019 fiscal year.

<u>Taxable Assessments</u>			
<u>Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation⁽¹⁾</u>	<u>Percentage of Total Assessed Valuation</u>
Consolidated Edison Company	Utility	\$ 155,400,680	1.53%
Avalon Properties Inc. ⁽²⁾	Apartments	45,640,000	0.45
Larchmont Acres East Assoc. LLC	Apartments	28,500,000	0.28
Palmer Terrace Co-Op Inc. ⁽²⁾	Co- Op	27,601,374	0.27
Ten Grand Inc. ⁽²⁾	Shopping Center	22,720,000	0.23
Mamaroneck Gardens Inc. ⁽²⁾	Co-Op	22,500,000	0.22
Winged Foot Holding Corp.	Country Club	22,352,108	0.22
Larchmont Owners Corp	Co-Op	21,600,000	0.21
Sheldrake Station Dev LLC	Apartments	21,036,080	0.21
Carlshire Tenants ⁽²⁾	Condominiums	<u>18,161,690</u>	<u>0.18</u>
Total:		<u>\$386,161,932</u>	3.80%

(1) Based on the total assessment roll for the 2022 is \$10,157,805,458

Source: Town Officials.

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FIRE DISTRICT INDEBTEDNESS

Constitutional and Statutory Requirements

The New York State Constitution (Article VIII, Section 2) does not directly address a Fire District's power to contract indebtedness, and the levy of taxes upon real estate in support thereof (although Article VIII Section 3 thereof does include fire districts in its listing of types of municipal corporations in the State possessing the power to both contract indebtedness and to levy taxes upon real estate). The authorization and issuance of Fire District debt, including the purpose, amount and nature thereof, the method and manner of contracting such indebtedness, the maturity and terms of repayment thereof, the pledge of the faith and credit and other related matters are provided by statute.

The Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of the State of New York limits the power of the Fire District (and municipalities, school and other fire districts of the State) to issue obligations and to otherwise contract indebtedness. Such limitations include the following, in summary form, and are generally applicable to the Fire District and the Bonds.

Purpose and Pledge. The Fire District 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 Fire District may contract indebtedness only for a Fire District 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. No installment may be more than fifty per centum in excess of the smallest prior installment unless the Fire District authorized the issuance of bonds with substantial level or declining annual debt service. The Fire District 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, bond anticipation notes and capital notes.

Debt. Fire District has the power to contract indebtedness for any Fire District purpose so long as the outstanding principal amount thereof shall not exceed three per centum of the five-year average full valuation of taxable real estate of the Fire District and subject to certain enumerated exclusions and deductions such as cash or appropriations for current debt service.

There is no constitutional limitation on the amount that may be raised by the Fire District by tax on real estate in any fiscal year to pay interest and principal on indebtedness. See "TAX LEVY LIMITATION LAW" herein as to statutory limitations.

Statutory Procedure

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

Pursuant to the Local Finance Law, the Fire District authorizes the issuance of bonds by the adoption of a resolution, approved by the members of the Fire District Board of Commissioners, the finance board of the Fire District and generally subject to mandatory referendum of the voters of the Fire District.

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 Fire District is not authorized to expend money, or
2. There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations and an action, suit, or proceeding contesting such validity, is commenced within twenty days after the date of such publication, or
3. Such obligations are authorized in violation of the provisions of the State Constitution.

Except on rare occasions the Fire District complies with this estoppel procedure. It is a procedure that is recommended by bond counsel, but it is not an absolute legal requirement. The Fire District is in compliance with such procedure with respect to the Bonds.

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 and case law) restrictions relating to the period of probable usefulness with respect thereto.

The Local Finance Law 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 that such renewals do not extend five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional and Statutory Requirements" herein.)

In general, the Local Finance Law contains provisions providing the Fire District with power to issue certain other short-term general obligation indebtedness including budget notes, capital notes, revenue anticipation notes, and tax anticipation notes.

Statement of Debt-Contracting Power

The following table, based on information furnished by the Fire District, presents the debt-incurring power of the Fire District and shows that the Fire District is within its constitutional debt limit.

<u>Statement of Debt-Contracting Power</u>		
(As of August 30, 2022)		
Full Valuation of Taxable Real Property		\$4,479,156,334
Debt-Contracting Margin (3% of Full Valuation):		134,374,690
Gross Direct Indebtedness:		
Bonds:	\$5,285,000	
Bond Anticipation Notes:	<u>0</u>	
Total Gross Direct Indebtedness		<u>5,285,000</u>
Less Exclusions and Deductions:		
Appropriations for Non-Exempt		
Indebtedness – 2019 Fiscal Year	<u>0</u>	
Total Exclusions and Deductions:		<u>0</u>
Total Net Direct Indebtedness		<u>5,285,000</u>
Debt-Contracting Margin		<u>\$129,089,690</u>
Percentage of Debt-Contracting Power Exhausted		<u>3.93%</u>

Trend of Capital Indebtedness

The following table sets forth the amount of direct capital indebtedness outstanding for the last five fiscal years.

<u>Direct Capital Indebtedness Outstanding</u>					
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Bonds:	\$2,960,000	\$4,115,000	\$6,285,000	\$5,900,000	\$5,505,000
Bond Anticipation Notes:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Totals:	<u>\$2,960,000</u>	<u>\$4,115,000</u>	<u>\$6,285,000</u>	<u>\$5,900,000</u>	<u>\$5,505,000</u>

Source: Audited financial statements of the Fire District. Table itself not audited.

Overlapping and Underlying Debt

The real property taxpayers of the Fire District are responsible for a proportionate share of outstanding debt obligations of the County, the two school districts, and the Town. Such taxpayers’ share of this overlapping debt is based upon the amount of the Fire District’s equalized property values taken as a percentage of each separate units’ total values. The table below sets forth both the total outstanding principal amount of debt issued by the Fire District and the approximate magnitude of the burden on taxable property in the Fire District of the debt issued and outstanding by such overlapping entities.

Statement of Direct and Overlapping Indebtedness

<u>Issuer</u>	<u>Net Debt Outstanding</u>	<u>As of:</u>	<u>Fire District Share</u>	<u>Amount Applicable To Fire District</u>
Westchester County	\$904,787,617	11/16/21	0.19%	\$ 1,692,123
Mamaroneck UFSD	37,530,000	06/30/21	100.00	25,045,000
Scarsdale UFSD	63,660,000	06/30/21	4.60	2,538,970
Town of Mamaroneck*	44,215,000	12/31/21	11.58	<u>5,120,097</u>
Total Net Overlapping Debt				\$ 34,396,190
Total Net Direct Debt				<u>5,285,000</u>
Total Net Direct and Overlapping Debt				<u>\$ 39,681,190</u>

*Will be selling \$4,177,080 serial bonds concurrently with the Fire District.

Source(s): Official Statements publically available on the Municipal Securities Rulemaking Board: EMMA website.

Debt Ratios

The following table presents certain debt ratios relating to the Fire District’s direct and overlapping indebtedness as of August 11, 2022.

Debt Ratios

	<u>Amount</u>	<u>Debt Per Capita</u> ⁽¹⁾	<u>Debt to Full Value</u> ⁽²⁾
Net Direct Debt	\$ 5,285,000	\$ 471	0.12%
Net Direct and Overlapping Debt	39,681,190	3,533	0.92

(1) The population of the Fire District is 11,231 according to the Fire District officials.

(2) The full valuation of real property located in the Fire District for the 2021 fiscal year is \$4,324,239,013.

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Debt Service Schedule

The following table shows the debt service requirements to maturity on the Fire District's outstanding bonded general obligation indebtedness, inclusive of the Bonds, for each fiscal year ending December 31.

Bond Principal and Interest Maturity Table

Fiscal Year Ending December 31st	Principal	Interest ⁽¹⁾	Total Principal and Interest ⁽¹⁾
2022	410,000	164,661	574,661
2023	375,000	149,139	524,139
2024	385,000	135,052	520,052
2025	390,000	120,751	510,751
2026	415,000	107,585	522,585
2027	330,000	94,669	424,669
2028	340,000	83,319	423,319
2029	355,000	73,469	428,469
2030	360,000	63,169	423,169
2031	375,000	52,669	427,669
2032	215,000	42,863	257,863
2033	220,000	37,813	257,813
2034	225,000	32,513	257,513
2035	230,000	27,112	257,112
2036	235,000	21,450	256,450
2037	240,000	15,688	255,688
2038	245,000	9,650	254,650
2039	160,000	3,400	163,400
Totals	<u>\$5,505,000</u>	<u>1,234,972</u>	<u>\$6,739,972</u>

(1) May be off slightly due to rounding.

(2) For the entire fiscal year.

Authorized But Unissued Debt

Following the issuance of the Bonds, the Fire District will have \$226,000 of authorized but unissued debt.

Installment Purchase Agreements

The Fire District currently does not have any installment purchase agreements and does not plan to enter into any installment purchase agreements in the near term.

ECONOMIC AND DEMOGRAPHIC DATA

Population

The following table presents population trends for the Town, County and State, based upon recent census data.

	<u>Population Trend</u>			<u>Percentage Change</u>
	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2010/2020</u>
Town	28,967	29,156	31,758	8.92%
County	923,459	949,113	1,004,457	0.01
State	18,976,457	19,378,102	20,201,249	4.25

Source: U.S. Census Bureau and 2016-2020 American Community Survey 5-Year Estimates.

Income

The following table presents median household income for the Town, County and State.

	<u>Median Household Income</u>			<u>Percentage Change</u>
	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2010/2020</u>
Town	\$84,213	\$111,812	143,910	28.71%
County	63,582	79,619	99,489	24.96
State	43,393	55,603	71,117	27.90

Source: U.S. Census Bureau and 2016-2020 American Community Survey 5-Year Estimates.

Employment and Unemployment

The following tables provide information concerning employment and unemployment in the Town, County and State. Data provided for the Town, County and State are not necessarily representative of the Fire District. Unemployment drastically increased in mid-March 2020 due to the COVID-19 global pandemic.

Major Employers Located in the Town

<u>Employers</u>	<u>Number of</u> <u>Employees</u>	<u>Product or Service</u>
The New Jewish Home, Sarah Neuman	420	Health care provider
Mamaroneck Union Free School District	245	Education
Village of Mamaroneck	150	Municipal government
Town of Mamaroneck	130	Municipal government
Larchmont Yacht Club	120	Yacht club
Trader Joes	100	Grocery store
Westchester Day School	100	Education
French American School of New York	100	Education
Hampshire Country Club	90	Country club and golf course
Marval Industries, Inc.	50	Plastic materials & compounds

Source: Town and Fire District officials.

Civilian Labor Force

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Town	14,700	14,800	14,700	14,300	14,500
County	481,100	484,300	484,400	478,000	480,000
State	9,704,700	9,574,700	9,514,400	9,289,200	9,441,500

Source: New York State Department of Economic Development; Bureau of Economic and Demographic Information.

<u>Year</u>	<u>Town</u>	<u>County</u>	<u>State</u>
2017	3.9%	4.5%	4.7%
2018	3.4	3.9	4.1
2019	3.0	3.6	3.8
2020	5.9	8.0	9.9
2021	3.8	4.8	6.9

Source: New York State Department of Economic Development; Bureau of Economic and Demographic Information.

Monthly Unemployment Rates

<u>Month</u>	<u>Town</u>	<u>County</u>	<u>State</u>
June 2021	4.1%	5.2%	7.5%
July	4.1	5.1	7.1
August	3.7	4.8	6.7
September	3.1	4.1	5.7
October	2.9	3.7	5.3
November	2.5	3.3	4.9
December	2.1	2.9	4.5
January 2022	3.0	3.6	5.3
February	2.9	3.8	5.1
March	2.6	3.5	4.7
April	2.1	3.0	4.2
May	2.1	3.0	4.1

Source: New York State Department of Labor, Bureau of Labor Statistics. Information not seasonally adjusted.

Utilities

The residents of the Fire District receive electricity and natural gas from the Consolidated Edison. The Fire District receives water from the Westchester Joint Waterworks, which is a joint utility of the Town of Mamaroneck, the Village of Mamaroneck and the Town of Harrison.

Transportation

The Fire District is served by a transportation network consisting of all major forms of transportation. Several primary State and U.S. highways including the New England Thruway and the Hutchinson River Parkway run through the Fire District. The Metropolitan Transportation Authority provides passenger rail service via the New Haven Division of Metro-North. Air transportation is provided by the Westchester County Airport, as well as the three major New York metropolitan airports (Kennedy, LaGuardia and Newark), and the Stewart International Airport in Newburgh.

END OF APPENDIX A

APPENDIX B

SUMMARY OF BUDGETS AND FINANCIAL STATEMENTS
(Summary itself is not audited)

MAMARONECK FIRE DISTRICT NO. 1
Summary of Budgeted Revenues & Expenditures
Special Districts Fund
Fiscal Years Ending December 31:

	<u>2021</u>	<u>2022</u>
<u>Revenues:</u>		
Real Property Taxes	\$4,356,096	\$4,442,400
Use of Money & Property	100	0
Interfund Transfer	0	0
Appropriated Fund Balance	0	44,000
Total revenues	<u>\$4,356,196</u>	<u>\$4,486,400</u>
 <u>Expenditures:</u>		
Personnel Services	\$1,669,957	\$1,736,041
Equipment	44,000	69,000
Contractual Expense	702,685	615,685
Employee Benefits	1,380,690	1,462,651
Debt Service	0	0
Interfund Transfers ⁽¹⁾	<u>558,864</u>	<u>603,023</u>
Total expenditures	<u>\$4,356,196</u>	<u>\$4,486,400</u>

(1) Includes transfer of funds for debt service to Debt Service Fund.
Source: Town Budgets.

MAMARONECK FIRE DISTRICT NO. 1
Comparative Balance Sheets
Special Districts Fund
Fiscal Years Ended December 31:

	<u>2020</u>	<u>2021</u>
Assets:		
Cash	\$350,228	\$603,635
Investments	1,404,729	1,496,201
Accounts Receivable		
Due from Other Funds	2,094	
Prepaid Expenditures	<u>215,905</u>	<u>152,395</u>
Total Assets	<u><u>\$1,972,956</u></u>	<u><u>\$2,252,231</u></u>
Liabilities and Fund Balance:		
Liabilities:		
Accounts Payable and Accrued Liabilities	68,129	19,665
Due To Other Funds	<u>2,175</u>	<u>30,295</u>
Total Liabilities	<u><u>70,304</u></u>	<u><u>49,960</u></u>
Fund Balance:		
Nonspendable	215,905	152,395
Restricted	1,404,729	1,496,201
Assigned	<u>281,988</u>	<u>553,675</u>
Total Fund Balance	<u><u>1,902,622</u></u>	<u><u>2,202,271</u></u>
Total Liabilities and Fund Balance	<u><u>\$1,972,926</u></u>	<u><u>\$2,252,231</u></u>

Sources: Town's Audited Financial Statements. Table itself not audited.

MAMARONECK FIRE DISTRICT NO. 1
Combined Statement of Revenues,
Expenditures and Changes in Fund Balances
Special Districts Fund
Fiscal Years Ended December 31:

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
REVENUES					
Real Property Taxes	\$3,598,699	\$3,790,191	\$3,872,714	\$4,160,578	\$4,356,096
Use of Money and Property	33,558	36,067	66,048	41,052	43,699
Sale of Property and Compensation for Loss	5,067	440,330	6,268	7,003	37,873
State Aid	0	0	0	0	0
Federal Aid	0	0	0	0	8,001
Miscellaneous	117	450	0	0	0
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>\$3,637,441</u>	<u>\$4,267,038</u>	<u>\$3,945,030</u>	<u>\$4,208,633</u>	<u>\$4,445,669</u>
EXPENDITURES					
Current:					
Public Safety	1,832,467	2,039,443	2,450,658	2,118,901	2,257,396
Employee Benefits	1,239,529	1,332,500	1,287,552	1,246,274	1,329,760
Debt Service	0	0	0	0	0
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>3,071,996</u>	<u>3,371,943</u>	<u>3,738,210</u>	<u>3,365,175</u>	<u>3,587,156</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>565,445</u>	<u>895,095</u>	<u>206,820</u>	<u>843,458</u>	<u>858,513</u>
Other Financing Sources					
Operating transfers in	69,150	19,500	19,500	1,988	0
Operating transfers out	<u>(437,740)</u>	<u>(826,761)</u>	<u>(454,801)</u>	<u>(703,128)</u>	<u>(558,864)</u>
Total Other Financing Sources	<u>(368,590)</u>	<u>(807,261)</u>	<u>(435,301)</u>	<u>(701,140)</u>	<u>(558,864)</u>
Excess (Deficiency) of Revenues and other Sources over Expenditures and Other Uses	196,855	87,834	(228,481)	142,318	299,649
Fund Balance - Beginning of Year	1,704,096	1,900,951	1,988,785	1,760,304	1,902,622
Cumulative Effect of Change in Accounting Principle	0	0	0	0	0
Residual Equity Transfer	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance - End of Year	<u>\$1,900,951</u>	<u>\$1,988,785</u>	<u>\$1,760,304</u>	<u>\$1,902,622</u>	<u>\$2,202,271</u>

Sources: Town's Audited Financial Statements. Table itself not audited.

APPENDIX C

**AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2021**

**Can be accessed on the Electronic Municipal Market Access (“EMMA”) website
of the Municipal Securities Rulemaking Board (“MSRB”)
at the following link:**

<https://emma.msrb.org/P31527664.pdf>

**The audited financial statements referenced above are hereby incorporated into the
attached Official Statement.**

*** Such Financial Statements and opinion are intended to be representative only as of the date thereof. EFPR Group, CPAs, PLLC has not been requested by the Fire District to further review and/or update such Financial Statements or opinion in connection with the preparation and dissemination of this Official Statement.**

APPENDIX D

**FORM OF APPROVING LEGAL OPINION OF BOND COUNSEL
FOR THE BONDS**

Mamaroneck Fire District No. 1
in the Town of Mamaroneck,
County of Westchester,
State of New York

Re: Mamaroneck Fire District No. 1 in the Town of Mamaroneck
Westchester County, New York,
\$1,082,000 Various Purpose (Serial) Bonds, 2022

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of \$1,082,000 Various Purpose (Serial) Bonds, 2022 (the "Obligations"), of the Mamaroneck Fire District No. 1 in the Town of Mamaroneck, Westchester County, New York (the "Obligor"), dated October 4, 2022, initially issued in registered form in denominations such that one bond shall be issued for each maturity of bonds in such amounts as hereinafter set forth, bearing interest at the rate of _____ hundredths per centum (_____%) per annum as to bonds maturing in each of the years 20____ to 20____, both inclusive, payable on April 1, 2023 and semi-annually thereafter on October 1 and April 1, and maturing in the amount of \$_____ on October 1, 2023, \$_____ on October 1, 2024, \$_____ on October 1, 2025, \$_____ on October 1, 2026, \$_____ on October 1, 2027, \$_____ on October 1, 2028, \$_____ on October 1, 2029, \$_____ on October 1, 2030, \$_____ on October 1, 2031, \$_____ on October 1, 2032, \$_____ on October 1, 2033, \$_____ on October 1, 2034, \$_____ on October 1, 2035, \$_____ on October 1, 2036 and \$_____ on October 1, 2037.

Obligations maturing on or before October 1, 2030 are not subject to redemption prior to maturity. Obligations maturing on or after October 1, 2031 are subject to redemption prior to maturity, at the option of the Obligor on October 1, 2030 and thereafter on any date, in whole or in part, and if in part in any order of their maturity and in any amount within a maturity selected by lot within a maturity), at a price equal to the par principal amount, plus accrued interest to the date of redemption.

We have examined:

- (1) the Constitution and statutes of the State of New York;
- (2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");
- (3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligations that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligations not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligations and investment earnings

thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligations to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligations and investment earnings thereon on certain specified purposes (the “Arbitrage Certificate”); and

(4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

We also have examined a certified copy of proceedings of the finance board of the Obligor and other proofs authorizing and relating to the issuance of the Obligations, including the form of the Obligations. In rendering the opinions expressed herein we have assumed (i) the accuracy and truthfulness of all public records, documents and proceedings, including factual information, expectations and statements contained therein, examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof, and (ii) compliance by the Obligor with the covenants contained in the Arbitrage Certificate. We also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and the certifications thereof.

In our opinion:

- (a) The Obligations 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 Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligations and interest thereon, subject to applicable statutory limitations; provided, however, that the enforceability (but not the validity) of the Obligations: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors’ rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.
- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligations; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors’ rights.
- (c) Interest on the Obligations is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligations is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that, for tax years beginning after December 31, 2022, interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding

other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligations.

Certain agreements, requirements and procedures contained or referred to in the Arbitrage Certificate and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Obligations) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. Our engagement with respect to the Obligations has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Obligations to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Obligations and the Arbitrage Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against municipal corporations such as the Obligor in the State of New York. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, or waiver provisions contained in the foregoing documents.

The scope of our engagement in relation to the issuance of the Obligations has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions 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 Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the Obligations as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligations for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligations, 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.

Very truly yours,

/s/ORRICK, HERRINGTON & SUTCLIFFE LLP