

This Preliminary Official Statement and the information contained in it are subject to completion and amendment in a final Official Statement. This Preliminary Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there may not be any sale of Notes offered by this Preliminary Official Statement, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of that jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED MAY 17, 2023

BOND ANTICIPATION NOTES

Ratings: See “Ratings” herein

In the opinion of Harris Beach PLLC, Bond Counsel to the Town, under existing statutes, regulations, administrative rulings, and court decisions, and assuming continuing compliance by the Town with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the “Code”), and the accuracy of certain representations made by the Town, interest on the Notes is excluded from gross income of the owners thereof for Federal income tax purposes and is not an “item of tax preference” for purposes of the Federal alternative minimum tax imposed on individuals. However, for the tax years beginning after December 31, 2022, interest on the Notes held by certain corporations that are subject to the Federal corporate alternative minimum tax is included in the computation of “adjusted financial statement income” for purposes of the Federal alternative minimum tax imposed on such corporations. Bond Counsel is also of the opinion that under existing statutes interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including the City of New York). No opinion is expressed regarding other Federal or State tax consequences arising with respect to the Notes. See “TAX MATTERS” herein.

The Notes will not be designated by the Town as “qualified tax-exempt obligations” pursuant to Section 265 of the Code

TOWN OF AMHERST ERIE COUNTY, NEW YORK

\$26,385,000 BOND ANTICIPATION NOTES – 2023A (the “Notes”)

Dated Date: Date of Delivery

Maturity Date: November 3, 2023

The Notes are general obligations of the Town of Amherst (the “Town”), Erie County, New York, and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and interest thereon and, unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied upon all the taxable real property within the Town, subject to certain applicable statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended (the “TAX INFORMATION -Tax Levy Limitation Law”). (See “Tax Levy Limitation Law” in Appendix A hereto.)

The Notes will not be subject to optional redemption prior to maturity.

At the option of the purchaser(s), the Notes will be issued in registered form (i) registered in the name of the successful bidder(s) or (ii) registered book-entry form registered to Cede & Co., as the partnership nominee of The Depository Trust Company (“DTC”)

If the Notes are issued in registered form registered in the name of the successful bidder(s), a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the Town at such bank(s) or trust company(ies) located and authorized to do business in the State of New York as selected by the successful bidder(s).

If the Notes are issued in registered book-entry form, such notes (“DTC Notes”) will be delivered to DTC, which will act as Securities Depository for the DTC Notes. Beneficial owners will not receive certificates representing their interest in the DTC Notes. Individual purchases may be made in book-entry form only, in denominations of \$5,000 or integral multiples thereof. A single note certificate will be issued for those DTC Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said DTC Notes will be paid in Federal Funds by the Paying Agent to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the DTC Notes as described herein. See “Book-Entry-Only System” herein.)

Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

Harris Beach PLLC has not participated in the preparation of the demographic, financial or statistical data contained in this Official Statement, nor verified the accuracy, completeness or fairness thereof, and, accordingly, expresses no opinion with respect thereto. Capital Markets Advisors, LLC has served a Municipal Advisor to the Town in connection with the issuance of the Notes.

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the final approving opinions of Harris Beach PLLC, Buffalo, New York, Bond Counsel to the Town, and certain other conditions. It is anticipated that the Notes will be available for delivery on or about June 15, 2023.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE TOWN FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE “RULE”). FOR A DESCRIPTION OF THE TOWN’S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE NOTES AS DESCRIBED IN THE RULE, SEE “DISCLOSURE UNDERTAKINGS,” HEREIN.

Dated: May ___, 2023

**TOWN OF AMHERST
ERIE COUNTY, NEW YORK**

**Brian J. Kulpa
Supervisor**

TOWN BOARD

Jacqueline G. Berger..... Council Member
Deborah Bruch Bucki, RN PhD..... Council Member
Shawn A. Lavin Council Member
Michael Szukala..... Council Member

Francina J. Spoth..... Town Clerk
Timothy Koller.....Deputy Town Clerk
Daryl C. Bramer.....Town Comptroller
Martin A. Polowy, Esq. Town Attorney

AUDITORS

**Drescher & Malecki LLP
Cheektowaga, New York**

BOND COUNSEL



Buffalo, New York

MUNICIPAL ADVISOR



**Capital Markets Advisors, LLC
Hudson Valley * Long Island * Southern Tier * Western New York
(716) 662-3910**

No dealer, broker, salesman or other person has been authorized by the Town 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 Town. 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 Notes 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 Town from sources that 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 Town since the date hereof.

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**TOWN OF AMHERST
ERIE COUNTY, NEW YORK**

relating to

**\$26,385,000
BOND ANTICIPATION NOTES – 2023A**

This Official Statement, which includes the cover page and appendices hereto, presents certain information relating to the Town of Amherst, in the County of Erie, in the State of New York (the ‘Town’, ‘County’ and ‘State,’ respectively) in connection with the sale of \$26,385,000 Bond Anticipation Notes – 2023A (the ‘Notes’).

The factors affecting the Town’s financial condition are described throughout this Official Statement and many of these factors, including economic and demographic factors, are complex and may influence the Town’s tax base, revenues, and expenditures. This Official Statement should be read in its entirety.

Statements in this Official Statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the Town management’s beliefs as well as assumptions made by, and information currently available to, the Town’s management and staff. **This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that are highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the Town’s overall economic situation and outlook (and all of the specific Town-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which are extremely difficult to predict and quantify. (See ‘COVID-19’ herein.)**

THE NOTES

Description

The Notes will be dated June 15, 2023 and will mature, without the option of prior redemption, on November 3, 2023. Interest will be calculated on a 30-day month and 360-day year basis, payable at their respective maturities.

The Town Clerk will act as Paying Agent for the Notes. Paying Agent fees, if any, will be paid by the successful purchaser. The Town contact information is as follows: Daryl Bramer, Town Comptroller; phone: 716-631-7005, email: dbramer@amherst.ny.us

Authority for and Purpose of the Notes

The Notes are issued pursuant to the Constitution and Laws of the State, including among others, the Town Law and the Local Finance Law, and various bond resolutions duly adopted by the Town Board on the dates set forth below. The proceeds of the Notes will provide \$26,385,000 in new money all further described below:

<u>Purpose:</u>	<u>Authorization Date</u>	<u>Original Issue Date</u>	<u>New Money</u>	<u>The Notes</u>
Highway Department Gas Pump Repairs	3/6/2023	6/15/23	\$440,000	\$440,000
TOA Streetlight Acquisition A Fund	10/3/2022	6/15/23	2,400,000	2,400,000
Mathewson McCarthy Ballfield Lighting Improvements	9/19/2022	6/15/23	125,000	125,000
North Bailey Sewer Project	12/12/2022	6/15/23	100,000	100,000
Boulevard Central District Design & Planning	12/12/2022	6/15/23	850,000	850,000
Amherst Central Park Acquisition	1/17/2023	6/15/23	7,850,000	7,850,000
30 S Cayuga Rd Acquisition	2/13/2023	6/15/23	1,500,000	1,500,000
Royal Park Improvements	2/13/2023	6/15/23	7,160,000	7,160,000

Sanitary Sewer Projects 2023	3/6/2023	6/15/23	1,500,000	1,500,000
Town Road Pavement Improvements 2023	3/6/2023	6/15/23	2,000,000	2,000,000
Casey Rd Pedestrian & Bike Safety Improvements	3/6/2023	6/15/23	400,000	400,000
Reconstruction of Town Bike Paths	3/20/2023	6/15/23	200,000	200,000
Townwide Tree Planting	3/20/2023	6/15/23	200,000	200,000
Waterline Replacements 2023	4/17/2023	6/15/23	950,000	950,000
Facilities Equipment Bond	4/17/2023	6/15/23	110,000	110,000
Townwide Park Improvements	4/17/2023	6/15/23	200,000	200,000
Townwide Road Striping	4/17/2023	6/15/23	100,000	100,000
Town Facility Parking Lot Maintenance	4/17/2023	6/15/23	100,000	100,000
Town Facility Parking Lot Maintenance WPCF	5/8/2023*	6/15/23	100,000	100,000
Town facility Parking Lot Striping	5/8/2023*	6/15/23	<u>100,000</u>	<u>100,000</u>
			<u>\$26,385,000</u>	<u>\$26,385,000</u>

*Please note the estoppel period will not have expired by May 25, 2023, the sale date of the Notes, but the Town expects that the estoppel period will expire by June 15, 2023, the date of closing.

Nature of the Obligations

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

The Notes will be general obligations of the Town and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and the interest thereon. For the payment of such principal of and interest on the Town has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the Town, subject to certain applicable statutory limitations imposed by set Chapter 97 of the New York Laws of 2011 , as amended. (See “TAX INFORMATIO - Tax Levy Limitation Law” herein).

Under the Constitution of the State, the Town is required to pledge its faith and credit for the payment of the principal of and interest on the Notes, and the State is specifically precluded from restricting the power of the Town to levy taxes on real estate therefor. The State Constitution requires the Town to provide by appropriation for the payment of interest on all obligations which will become due during the fiscal year. In addition, the State Constitution requires the Town to provide in each year by appropriation for the payment of all installments of principal of the Notes which will become due and payable in such year.

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

Optional Redemption for the Notes

The Notes are not subject to optional redemption prior to maturity.

Book-Entry-Only System

The following applies to those Notes issued in book entry form. The Depository Trust Company (“DTC”) will act as securities depository for the Notes. The Notes will be issued as fully-registered notes registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for each book-entry Note bearing the same rate of interest and CUSIP number, 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 Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. 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 the Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town 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 Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town, on 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 Town, subject to any statutory or regulatory requirements as may be in effect from time to time.

Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Town. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, note 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 Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company

Certificated Bonds and Notes

DTC may discontinue providing its services with respect to the Notes at any time by giving reasonable notice to the Town and discharging its responsibilities with respect thereto under applicable law, or the Town may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entryonly system is discontinued, the following provisions will apply: the Notes will be issued in fully registered form in denominations of \$5,000 or any integral multiple thereof. Principal of the Notes when due will be payable upon presentation at the principal corporate trust office of a bank or trust company located and authorized to do business and act as a fiscal agent in the State of New York to be named by the Town

MARKET MATTERS AFFECTING FINANCINGS OF THE MUNICIPALITIES OF THE STATE

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

The Town does not receive a significant amount of financial assistance from the State in the form of State aid. Should the Town fail to receive State aid expected from the State in the amounts and at the times expected, occasioned by a delay in the payment of such monies and not by a cut in State aid, the Town is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the Town’s financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. The COVID-19 outbreak has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to continue to affect economic growth worldwide. The outbreak caused the Federal government to declare a national state of emergency, which was followed by the enactment of a variety of stimulus measures designed to address financial stability and liquidity issues caused by the outbreak. The State also declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools

and non-essential businesses. Efforts to contain the spread of COVID-19 has reduced the spread of the virus in some areas and there have been recent efforts to relax some of the restrictions put in place following the initial outbreak. However, a resurgence could have a material adverse effect on the State and municipalities and school districts located in the State, including the Town. The Town is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations.

CYBER SECURITY

The Town, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the Town faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Town invests in various forms of cybersecurity and operational controls; however, no assurances can be given that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage Town digital networks and systems and the costs of remedying any such damage could be substantial.

TAX MATTERS

In the opinion of Bond Counsel, based on existing statutes, regulations, administrative rulings and court decisions and assuming compliance by the Town with certain covenants and the accuracy of certain representations, interest on the Notes is excluded from gross income for federal income tax purposes. Bond counsel is of the further opinion that interest on the Notes is not an "item of tax preference" for purposes of the Federal alternative minimum tax on individuals; however, for tax years beginning after December 31, 2022, the Internal Revenue Code of 1986, as amended, imposes a federal corporate alternative minimum tax equal to 15 percent of the "adjusted financial statement income" of corporations (other than S corporations, regulated investment companies and real estate investment trusts) having an average annual "adjusted financial statement income" for the 3-taxable-year period ending with the tax year that exceeds \$1,000,000,000. Interest on tax-exempt obligations such as the Notes is included in the computation of a corporation's "adjusted financial statement income".

The Code imposes various limitations, conditions and other requirements which must be met at and subsequent to the date of issue of the Notes in order that interest on the Notes will be and remain excluded from gross income for federal income tax purposes. Included among these requirements are restrictions on the investment and use of proceeds of the Notes and in certain circumstances, payment of amounts in respect of such proceeds to the United States. Failure to comply with the requirement of the Code may cause interest on the Notes to be includable in gross income for purposes of federal income tax, possibly from the date of issuance of the Notes. In the Arbitrage and Use Proceeds Certificate of the Town executed in connection with the issuance of the Notes, the Town has covenanted to comply with certain procedures, and it has made certain representations and certifications, designed to assure satisfaction of the requirements of the Code in respect to the Notes. The opinion of Bond Counsel assumes compliance with such covenants and the accuracy, in all material respects, of such representations and certificates.

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

The Notes **will not** be designated as "qualified tax-exempt obligations" within the meaning of, and pursuant to Section 265(b)(3) of the Code.

In the opinion of Bond Counsel, under existing statutes, interest on the Notes is exempt from personal income taxes imposed by the State or any political subdivision thereof, including The City of New York.

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 and delivery of the Notes may affect the tax status of interest on the Notes.

No assurance can be given that any future legislation or governmental actions, including amendments to the Code or State income tax laws, regulations, administrative rulings, or court decisions, will not, directly or indirectly, cause interest on the Notes to be subject to federal, State or local income taxation, or otherwise prevent Bondholders and Noteholders from realizing the full current benefit of the tax status of such interest. Further, no assurance can be given that the introduction or enactment of any such future legislation, or any judicial decision or action of the Internal Revenue Service or any State taxing authority, including, but not limited to, the promulgation of a regulation or ruling, or the selection of the Notes for audit examination or the course or result of an audit examination of the Notes or of obligations which present similar tax issues, will not affect the market price, value or marketability of the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding the foregoing matters.

All summaries and explanations of the law herein do not purport to be complete and reference is made to such laws for full and complete statements of their provisions.

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

LEGAL MATTERS

The legality of the authorization and issuance of the Notes will be covered by the approving legal opinion of Harris Beach PLLC, Buffalo, New York, Bond Counsel to the Town. Such legal opinion will state that in the opinion of Bond Counsel (i) the Notes have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Town, all the taxable property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to certain applicable statutory limitations imposed by Chapter 97 of the New York Law of 2011, as amended (see “APPENDIX A – TAX INFORMATION – Tax Levy Limitation Law” herein); provided, that the enforceability (but not the validity) of the Notes may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal) affecting the enforcement of creditors' rights; (ii) under existing statutes, regulations, administrative rulings and court decisions, interest on the Notes is excluded from the gross income of the owners thereof for Federal income tax purposes, is not an “item of tax preference” for purposes of the Federal alternative minimum taxes imposed on individuals, however, for tax years beginning after December 31, 2022, interest on the Notes held by certain corporations that are subject to the Federal corporate alternative minimum tax is included in the computation of “adjusted financial statement income” for purposes of the Federal alternative minimum tax imposed on such corporations; (iii) interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York); and (iv) based upon Bond Counsel’s examination of law and review of the arbitrage and use of proceeds certificate executed by the Town Supervisor of the Town pursuant to Section 148 of the Code and the regulations thereunder, the facts, estimates and circumstances as set forth in said arbitrage certificate are sufficient to satisfy the criteria which are necessary under Section 148 of the Code to support the conclusion that the Notes will not be “arbitrage bonds” within the meaning of said section, and no matters have come to Bond Counsel’s attention which makes unreasonable or incorrect the representations made in said arbitrage certificate. Bond Counsel expresses no opinion regarding Federal or State income tax consequences arising with respect to the Notes.

Such legal opinion will also state that (i) in rendering the opinions expressed therein, Bond Counsel has assumed the accuracy and truthfulness of all public records, documents and proceedings examined by Bond Counsel which have been executed or certified by public officials acting within the scope of their official capacities, and has not verified the accuracy or truthfulness thereof, and Bond Counsel also has assumed the accuracy of the signatures appearing upon such public records, documents and proceedings and such certifications; (ii) the scope of Bond Counsel's engagement in relation to the issuance of the Notes, as applicable, has extended solely to the examination of the facts and law incident to rendering the opinions expressed therein; (iii) the opinions expressed therein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Town together with other legally available sources of revenue, if any, will be sufficient to enable

the Town to pay the principal of and interest on the Notes as the same become due and payable; (iv) reference should be made to the Official Statement for factual information which, in the judgment of the Town, would materially affect the ability of the Town to pay such principal and interest; and (v) while Bond Counsel has participated in the preparation of the Official Statement, Bond Counsel has not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, no opinion is expressed by Bond Counsel as to whether the Town, in connection with the sale of such Notes, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

DISCLOSURE UNDERTAKING

This Preliminary Official Statement is in a form “deemed final” by the Town for the purposes of Securities and Exchange Commission Rule 15c2-12 (the “Rule”). At the time of the delivery of the Notes, the Town will provide an executed copy of its “Undertaking to Provide Notices of Events” (the “Undertaking”). Said Undertaking will constitute a written agreement or contract of the Town for the benefit of holders of and owners of beneficial interests in the Notes, to provide, or cause to be provided, to the Electronic Municipal Market Access (“EMMA”) System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto, timely notice, not in excess of ten (10) business days after the occurrence of the event, of the occurrence of any of the following events with respect to the Notes:

(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 Notes, or other material events affecting the tax status of the Notes; (vii) modifications to rights of Noteholders, if material; (viii) Note calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Notes, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the Town; [note to clause (xii): For the purposes of the event identified in clause (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 Town 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 Town, 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 Town]; (xiii) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, 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 of the Town, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Town, any of which affect security 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 Town, any of which reflect financial difficulties.

The Town 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 Notes; but the Town does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

The Town’s Undertaking shall remain in full force and effect until such time as the principal of, redemption premiums, if any, and interest on the Notes shall have been paid in full. The sole and exclusive remedy for breach or default

under the Undertaking is an action to compel specific performance of the undertakings of the Town, and no person or entity, including a holder of the Notes, shall be entitled to recover monetary damages thereunder under any circumstances. Any failure by the Town to comply with the Undertaking will not constitute a default with respect to the Notes.

The Town reserves the right to amend or modify the Undertaking under certain circumstances set forth therein; provided that, any such amendment or modification will be done in a manner consistent with Rule 15c2-12 as then in effect.

Prior Disclosure History

The Town has been in compliance in all material respects with its previous undertakings made pursuant to Rule 15c2-12 over the past five years.

RATINGS

The Notes are not being rated.

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "Aa3" to the uninsured outstanding bonded indebtedness of the Town.

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

MISCELLANEOUS

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

Statements in this official statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the Town management's beliefs as well as assumptions made by, and information currently available to, the Town's management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the Town files with the repositories. When used in Town documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

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.

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

MUNICIPAL ADVISOR

Capital Markets Advisors, LLC has acted as Municipal Advisor to the Town in connection with the sale of the Notes. In preparing the Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources, who 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 Town 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 Notes.

ADDITIONAL INFORMATION

Additional information may be obtained from the Town's Municipal Advisor, Capital Markets Advisors, LLC, (716) 662-3910 or from Daryl Bramer, Town Comptroller, 5583 Main Street, Amherst, New York 14221, email: Dbramer@amherst.ny.us, telephone: (716) 631-7005.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized. This Official Statement is not to be construed as a contract or agreement between the Town and the original purchasers or holders of any of the Notes.

This Official Statement has been prepared in connection with the sale of the Notes by the Town and may not be reproduced or used in whole or in part for any other purpose.

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

Harris Beach PLLC expresses no opinion as to the accuracy or completeness of any documents prepared by or on behalf of the Town for use in connection with the offer or sale of the Notes, including this Official Statement. This Official Statement has been prepared only in connection with the sale of the Notes by the Town and may not be reproduced or used in whole or in part for any other purpose.

TOWN OF AMHERST ERIE COUNTY, NEW YORK

By: /s/ Brian Kulpa
Brian Kulpa
Town Supervisor

DATED: May ___, 2023

APPENDIX A

THE TOWN

General Information

The Town of Amherst (the “Town”), a suburban, residential town in Erie County (the “County”), adjacent to the City of Buffalo (the “City”), is the ninth most populous town in the State of New York (the “State”). The Town has a land area of approximately 54 square miles. Since 2010, the population of the Town has grown by 0.92% to the current population level of 129,595 according to the 2020 U.S. Census data. The incorporated Village of Williamsville, which has its own independent form of government, is located wholly within the Town and has a land area of 1-1/2 square miles and a population of 5,300.

The Town's tax base and population growth can be attributed in part to the suburbanization of Buffalo's metropolitan area and to the development of a \$550 million State University of New York at Buffalo campus within the Town. The 1,000 acre campus serves 29,940 students and has a faculty and staff in excess of 9,600.

Conrail, major airlines operating from the Buffalo Niagara International Airport, the New York State Thruway, the Youngman and Lockport expressways, the Niagara Frontier Transit Authority and a network of highways provide transportation to and from the area.

The Government

The Town was established in 1818 by the State Legislature. The taxable real property in the Village of Williamsville is subject to taxation by the Town for certain purposes. In addition, four independently governed school districts, Williamsville Central School District, Sweet Home Central School District, Amherst Central School District and Clarence Central School District, are located in whole or in part within the Town and rely upon their own taxing powers granted by the State to raise revenues for school district purposes. The school districts use the Town's assessment roll as their basis for taxation of property within the Town.

Subject to the provisions of the State Constitution, the Town operates pursuant to the Town Law, the Local Finance Law, other laws generally applicable to the Town, and any special laws applicable to the Town, and is classified as a first class Town. Under such laws, there is no authority for the Town to have a charter, but pursuant to the Town Law and other laws generally applicable to home rule, the Town may, from time to time, adopt local laws.

The legislative power of the Town is vested in the Town Board, which consists of five members, including the Supervisor, who is the chief executive officer of the Town, elected for a term of four years. The remaining members of the Town Board are elected two and three at a time every two years to four-year terms. All the Town Board members are elected at large. The Town has two judges that are elected to 4-year terms. All elected public officers for the Town are limited to two consecutive terms of four years each while serving in the same public office.

The Town Clerk and the Town Highway Superintendent are elected for four-year terms. The Town Board appoints the Assessor, the Town Comptroller, the Town Engineer, the Town Attorney, and the Deputy Town Attorneys.

The position of Town Comptroller has the responsibility for the overall coordination of the Town's finances. The Town Comptroller reports to the Town Board and shares the responsibility for budgeting, investment, debt management, cash flow, payroll, accounting and reporting of all Town transactions.

Town Services

The Town purchases its electricity and natural gas through Erie County, New York, Public Works Department through an energy co-operative.

The Erie County Water Authority (the “Authority”) supplies water for the Town and is responsible for the maintenance of the necessary facilities. The Authority charges the cost for the water service including maintenance costs, against the property or property owners served. The Town has a number of special assessment water districts that are responsible for the financing and construction of the water transmission lines within their respective boundaries.

Sanitary sewer services are provided primarily throughout the Town by special assessment sewer districts. The Town is responsible for the financing, construction and maintenance of the facilities located within them.

Police protection is provided by the Town Police Department. Fire protection is provided by Town Fire Protection Districts, which contract with local volunteer units to provide such service.

Employees

The Town provides services through 639 full-time employees, represented by the bargaining units listed below and approximately 45 of whom are not represented. Town employees are represented by several labor organizations, which are listed below.

<u>Bargaining Unit</u>	<u># of Members</u>	<u>Contract Expiration</u>
Civil Service Association	219	12/31/2023
Amherst Highway Association*	134	12/31/2024
Central Fire Alarm Association	10	12/31/2024
Amherst Engineering Association	54	12/31/2024
Amherst Police Club	152	12/31/2024

* 12 Part time employees are represented by Amherst Highway Association.

Source: Town Officials

Employee Pension Benefits

Substantially all employees of the Town are members of the New York State and Local Employees’ Retirement System (the “ERS”) and Local Police and Fire Retirement System (“PFRS”) (collectively the systems are referred to together hereinafter as the "Retirement Systems" where appropriate.) The Retirement Systems are a cost-sharing multiple public employer retirement systems. The obligations 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 Systems offer 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. As of April 9, 2022, Tier V and VI members only need five years of service credit to be vested. This affects members of both ERS and PFRS. Previously, Tier V and VI members needed 10 years of service to be eligible for a service retirement benefit. Now all Tier members’ benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in the Retirement Systems are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems. The Retirement Systems are 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 Systems, at such time contributions become voluntary. As discussed herein, members hired after January 1, 2010 must contribute three percent of their gross annual salary toward the costs of retirement programs for the duration of their employment.

Pension reform enacted by New York State changed the billing cycle for employer contributions to the ERS retirement system to match budget cycles of the Town. Under the previous method, the Town was not provided with the required payment until after its budget was implemented. Under the reforms

implemented, the employer contribution for a given fiscal year will be based on the value of the pension fund on the prior April 1, instead of the following April 1. As a result, the Town is notified of and can include the actual cost of the employer contribution in its budget. The law also requires a minimum payment of 4.5% of payroll each year, including years in which investment performance of the fund would make a lower employer contribution possible. The pension payment date for all local governments was changed from December 15 to February 1.

The New York State Retirement System has advised the Town 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 discounted amount. The Town prepaid its employer contributions each December in 2004 through 2021.

On December 10, 2009, then Governor Paterson signed into law a new Tier V. The law is effective for new ERS employees hired after January 1, 2010. ERS and PFRS employees now contribute 3% of their salaries. There is no provision for these contributions to cease after a certain period of service.

On March 16, 2012, Governor Cuomo signed into law the new Tier VI pension program, effective for ERS and PFRS employees hired after April 1, 2012. The Tier VI legislation provides, among other things, for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 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. Tier VI employees will vest in the system after ten years of employment and will continue to make employee contributions throughout employment.

The following schedule reflects the Town's contribution to each of the Retirement Systems for the last three audited fiscal years and the budgeted amount for the current fiscal year.

<u>Fiscal Year</u> <u>Ending December 31:</u>	<u>ERS</u> <u>Contribution</u>	<u>PFRS</u> <u>Contribution</u>
2023 (<i>Budgeted</i>)	\$3,971,822	\$6,100,000
2022	3,745,750	5,802,111
2021	4,581,393	5,646,062
2020	4,351,699	4,888,117
2019	4,330,041	4,619,015

Due to significant capital market declines in the recent past, the State's Retirement Systems portfolios have experienced negative investment performance and severe downward trends in market earnings. As a result of the foregoing, the employer contribution rates for the State's Retirement Systems will be higher than the minimum contribution rate established by law. To mitigate the expected increases in the employer contribution rates, legislation was enacted that authorizes local governments and school districts to amortize a portion of their required Retirement Systems pension contribution payments with the Retirement Systems. The legislation also requires that those local governments and school districts choosing to amortize their ERS and PFRS pension contribution payments with the Retirement Systems to reserve funds for future payment increases that are a result of fluctuations in pension plan performance. The Town funds its Annual Required Contribution (ARC) for both plans on an annual basis. The Town has no plans to enter into the pension smoothing program.

According to OSC, the estimated average employer contribution rate for ERS will increase from 11.6% to 13.1% of payroll. The estimated average employer contribution rate for PFRS will be reduced from 27.0% to 27.8% of payroll.

Other Post-Employment Benefits

In June 2015, GASB released GASB Statement No. 75 ("GASB 75"), which was required to be implemented in the Town's 2018 fiscal year. GASB 75 replaces the requirements of GASB 45 and establishes new standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. Under GASB 75, governments must report a

liability on the face of the financial statements for the post-employment benefits (“OPEB”) that they provide; such liability can no longer be a footnote as was allowed under GASB 45.

During the year ended December 31, 2021 the Town implemented GASB statements No. 75.

	<u>2021</u>
Balances at 12/31/2020, as restated:	\$232,937,834
Changes for the year:	
Service Cost	5,480,388
Interest	6,447,225
Changes of assumptions	21,612,724
Differences between expected and actual experience	(29,411,867)
Contributions - employer	<u>(6,236,109)</u>
Net Changes	<u>(2,107,639)</u>
Balances at 12/31/2021	<u>\$230,830,195</u>

Should the Town be required to fund its unfunded actuarial accrued OPEB liability, it could have a material adverse impact upon the Town’s finances and could force the Town to reduce services, raise taxes or both. At the present time, however, there is no current or planned requirement for the Town to partially fund its actuarial accrued OPEB liability. At this time, New York State has not developed guidelines for the creation and use of irrevocable trusts for the funding of OPEB. As a result, the Town has decided to continue funding the expenditure on a pay-as-you-go basis.

Legislation has been proposed to create an optional investment pool to help the State and local governments fund retiree health insurance and other post-employment benefits. The proposed legislation would authorize the creation of irrevocable OPEB trusts so that the State and its local governments can help fund their OPEB liabilities, establish an OPEB investment fund in the sole custody of the State Comptroller for the investment of OPEB assets of the State and participating eligible local governments, designate the president of the Civil Service Commission as the trustee of the State’s OPEB trust and the governing boards as trustee for local governments and allow school districts to transfer certain excess reserve balances to an OPEB trust once it is established. Under the proposed legislation, there are no limits on how much a local government can deposit into the trust. The Town cannot predict at this time whether such proposed legislation will be enacted into law.

FINANCIAL FACTORS

Independent Audit

The annual financial statements of the Town are audited by Drescher & Malecki, LLP, independent certified public accountants. The Town is also subject to periodic audit by the State Comptroller’s Office. Appendix B to this Official Statement presents a summary of the results of operations for the last five fiscal years and budget summaries for the 2022 and 2023 fiscal years. The Town also prepares an Annual Financial Report Update Document (unaudited) (“AUD”) that is filed with the Office of the State Comptroller. Said AUD is not prepared in accordance with GAAP. An electronic link to the audited financial statements for the 2021 fiscal year is set forth in Appendix C.

Fund Structure and Accounts

The financial statements of the Town conform to those prescribed by generally accepted accounting principles as applied to governmental units.

Revenues are recorded when measurable and available to pay liabilities of the current period. Revenues susceptible to accrual include real property taxes, state and federal aid, sales tax and certain user fees such as water and sewer charges.

Expenditures are recorded when the fund liability is incurred. Exceptions to this rule are (1) prepaid and most inventory-type items are generally recognized at the time of disbursement; (2) unmatured interest on

general long-term debt which is recognized when due; and (3) compensated absences, such as vacation and sick leave which vests or accumulates, and is charged as an expenditure when paid.

The encumbrance method of accounting is employed in the governmental funds, whereby commitments for contracts and outstanding purchase orders are reported as a reservation of fund balance. Such commitments are recorded as expenditures in the accounting period in which the liability is incurred.

The General Fund is the principal fund of the Town and includes all operations not required to be recorded in other funds. Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. These funds include Town Outside Village, Special Grant, Highway and Special Districts. Special Districts have been established for sanitary sewer, storm drainage, community environment, lighting, water and fire protection.

Revenues

The Town derives its revenues from a tax levy on real property, State aid from non-property taxes like the County sales tax, and from departmental fees and charges. A summary of such revenues for the Town's General and Special Revenue Funds over the last five fiscal years is presented in "Statement of Revenues, Expenditures and Changes in Fund Balances" in Appendix B. (See also "Tax Levy Limitation Law" herein).

Real Property Tax. The Town derives a major portion of its revenues from a tax on real property. (See "Statement of Revenues, Expenditures and Changes in Fund Balance" in Appendix B herein). Based on audited results, property taxes accounted for 44.0% of total General Fund revenues for the fiscal year ended December 31, 2021.

The following table sets forth total General Fund revenues and real property tax revenues during the last five audited fiscal years and the amount budgeted for the current fiscal year.

TABLE 1
Property Taxes
(General Fund Only)

Fiscal Year	Total	Real Property	Real Property
<u>Ending December 31:</u>	<u>Revenues</u>	<u>Taxes</u>	<u>Taxes to Revenues</u>
2017	\$60,332,619	\$25,894,973	42.9%
2018	60,643,283	26,166,790	43.1%
2019	65,069,351	28,996,302	44.6%
2020	65,644,634	31,298,412	47.7%
2021	83,236,087	36,628,885	44.0%
2022 (Budget)	78,607,443	31,639,504	40.3%
2023 (Budget)	81,561,675	30,012,870	36.8%

Source: Town Audited Financial Reports and 2022 and 2023 Budgets.

Sales Taxes. The County is authorized to and levies a sales and compensatory use tax of 4.75%, a portion of which is shared with the Town, in addition to the 4% tax levied by the State. Such sales tax collections in New York are administered by the State Tax Commissioner and the proceeds are paid to the County quarterly. The Town receives quarterly payments from the County.

The following table sets forth general fund revenues and General Fund non-property tax revenues (sales taxes and cablevision franchise tax) received during each of the last five audited fiscal years.

TABLE 2
Non-Property Taxes
(General Fund Only)

<u>Fiscal Year</u> <u>Ending December 31:</u>	<u>Total</u> <u>Revenues</u>	<u>Non-Property</u> <u>Taxes</u>	<u>Non-Property</u> <u>Taxes to Revenues</u>
2017	\$60,332,619	\$20,040,656	33.2%
2018	60,643,283	20,804,218	34.3%
2019	65,069,351	21,222,418	32.6%
2020	65,644,634	20,619,250	31.4%
2021	83,236,087	23,519,998	28.3%

Source: Town Audited Financial Report.

State Aid. The Town also receives a portion of its revenues in the form of State aid (per capita, mileage and valuation, and mortgage tax).

The following table sets forth total General Fund revenues and State aid during each of the last five audited fiscal years and the amounts budgeted for the current fiscal year.

TABLE 3
State Aid
(General Fund Only)

<u>Fiscal Year</u> <u>Ending December 31:</u>	<u>Total</u> <u>Revenues</u>	<u>State Aid</u>	<u>State Aid</u> <u>to Revenues</u>
2017	\$60,332,619	\$4,353,142	7.2%
2018	60,643,283	4,249,109	7.0%
2019	65,069,351	4,583,866	7.0%
2020	65,644,634	4,679,756	7.1%
2021	83,236,087	6,084,600	7.3%

Source: Town Audited Financial Reports.

If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Town, in any year, the Town may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments. Additionally, if the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Town, may be affected by a delay in the payment of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the Town. No assurance can be given that present State aid levels will be maintained in the future. There can be no assurance that the State's financial position will not change materially and adversely from current projections. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the Town, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. (See also "Market Factors Affecting Financings of the State and Municipalities of the State", herein.)

The State receives a substantial amount of federal aid for health care, education, transportation and other governmental purposes, as well as federal funding to respond to, and recover from, severe weather events and other disasters. Many of the policies that drive this federal aid may be subject to change under the federal administration and the current Congress. Current federal aid projections, and the assumptions on which they rely, are subject to revision in the future as a result of changes in federal policy.

Should the Town fail to receive State aid expected from the State in the amounts and at the times expected, occasioned by a delay in the payment of such monies or by a mid-year reduction in State aid, the Town is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

Other Revenues

Community Development Block Grants provide another revenue source for the Town. The Town receives these funds in accordance with a contract with the United States Department of Housing and Urban Development whereby grant assistance is provided for expenditures of eligible activities under Title I of the Housing and Community Development Act of 1974, as amended. These are accounted for as special revenue funds.

Historically, the Town has realized surplus funds from operations. The unappropriated fund balance has, in part, been used, from time to time during the course of a fiscal year to finance supplemental appropriations for unanticipated Town needs. A portion of the fund balance has always been designated as an appropriation to fund the subsequent years' expenditures.

Budget Process

The Supervisor, acting as budget officer with the assistance of the Town Comptroller, prepares a preliminary budget and presents it to the Town Clerk on September 30th. Subsequent to the budget hearing, revisions, if any, are made and the budget is then adopted by the Town Board as its final budget for the coming calendar year. The preliminary budget, as submitted or amended, shall be finally adopted by resolution of the Town Board not later than November 20th. The budget is not subject to voter approval, but the tax levy associated with each budget is subject to the provisions of the Tax Levy Limitation Law. (See "*Tax Levy Limitation Law*" herein).

Appendix B sets forth a summary of the Town's 2022 and 2023 General Fund budgets and a summary of the budgets adopted for all funds including special districts within the Town.

Investment Policy

Pursuant to State law, including Sections 10 and 11 of the General Municipal Law (the "GML"), the Town is generally permitted to deposit moneys in banks and trust companies located and authorized to do business in the State. All such deposits, including special time deposit accounts and certificates of deposit, in excess of the amount insured under the Federal Deposit Insurance Act, are required to be secured in accordance with the provisions of and subject to the limitations of Section 10 of the GML.

The Town may also temporarily invest moneys in: (1) obligations of the United States of America; (2) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (3) obligations of the State of New York; (4) with the approval of the New York State Comptroller, in tax anticipation notes or revenue anticipation notes issued by any municipality, school district, or district corporation, other than those notes issued by the Town; (5) certificates of participation issued by political subdivisions of the State pursuant to Section 109-b(10) of the GML; (6) obligations of a New York public benefit corporation which are made lawful investments for municipalities pursuant to the enabling statute of such public benefit corporation; or (7) in the case of moneys held in certain reserve funds established by the Town pursuant to law, in obligations of the Town.

All of the foregoing instruments and investments are required to be payable or redeemable at the option of the owner within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of instruments and investments purchased with the proceeds of bonds or notes, shall be payable or redeemable in any event, at the option of the owner, within two years of the date of purchase. Unless registered or inscribed in the name of the Town, such instruments and investments must be purchased through, delivered to and held in custody of a bank or trust company in the State pursuant to a written custodial agreement as provided in Section 10 of the GML.

The Town Board has adopted an investment policy and such policy conforms with applicable laws of the State governing the deposit and investment of public moneys. All deposits and investments of the Town are made in accordance with such policy.

The State Comptroller's Fiscal Stress Monitoring System

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

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

The most current applicable report of the State Comptroller designates the Town as "No Designation".

<https://www.osc.state.ny.us/files/local-government/fiscal-monitoring/2021/pdf/2021-munis-summary.pdf>

New York State Comptroller's Audit

The financial affairs of the Town are subject to periodic compliance reviews by the Office of the State Comptroller (OSC) to ascertain whether the Town has complied with the requirements of various State and federal statutes.

The last audit conducted by OSC was released on February 2019. The purpose of the audit was to assess municipalities' and school districts that utilize aggregators for energy purchases are ensuring they are procuring electricity and natural gas at the lowest prices. The complete report can be obtained from OSC's website.

References to websites and/or website addresses presented herein are for informational purposes only and implies no warranty of accuracy of information therein. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

TAX INFORMATION

Real Property Tax Collection Procedures and History

The Town Clerk collects the County and school district taxes, as well as, the General Town and Special District levies. Pursuant to the Erie County Tax Act, any uncollected items are deducted from the amount returned to the County and the County assumes the responsibility for obtaining payment. Therefore, before the tax rolls are returned to the County at the end of the tax collection period (August 31st), the Town Clerk pays in full to the Town, the amount of the General Fund, Town Highway and Special District levies.

The Town employs the one-payment tax system. Taxes are due January 1, payable without penalty to February 15. Penalties are imposed as follows: 1.5% on payments made prior to March 1st, 3% on payments made prior to March 16th, 4.5% on payments made prior to April 1st, 6% on payments made prior to April 16th, 7% on payments made prior to May 1st, and 1.5% on payments made each month thereafter. After June 30, when the rolls are turned over to the County, all taxes are payable to the County with an additional penalty to date of payment.

The following table sets forth the tax collection record of the Town, Highway and Special District levies, and County levies for the past five fiscal years and for the current fiscal year.

TABLE 4
Tax Levy and Collection Record

<u>Fiscal Year</u> <u>December 31:</u>	<u>Total Tax</u> <u>Warrant</u>	<u>Collected before February 16</u>		<u>Uncollected as of April 28⁽¹⁾</u>	
		<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
2018	\$134,450,800	\$127,158,497	94.58%	\$3,911,169	3.1%
2019	138,951,468	131,132,448	94.37%	3,720,248	2.8%
2020	143,139,032	133,260,191	93.10%	4,006,982	3.0%
2021	148,125,391	140,824,657	95.07%	3,750,627	2.7%
2022	149,345,884	142,064,168	95.12%	3,307,126	2.3%
2023	157,907,926	150,018,978	95.00%	4,473,258	3.0%

(1) As described above, the Town receives 100% of the amount of taxes levied from the county.

Source: Town Clerk

The following table sets forth the assessed and full valuation of taxable real property, the State equalization rate and the Town's real property tax levy for Town purposes for the five most recent fiscal years.

TABLE 5
Taxable and Full Valuation

	<u>Tax Year ⁽¹⁾</u>				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Roll Year	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024⁽⁵⁾</u>
Tax Levy Year					
Assessed Valuation ⁽²⁾	\$10,557,965,764	10,649,110,379	\$10,703,322,209	\$10,714,606,195	\$10,830,460,093
State Equalization Rate	95.00%	91.00%	88.00%	74.00%	62.00%
Full Valuation ⁽³⁾	\$11,113,648,173	\$11,702,319,098	\$12,162,866,147	\$14,479,197,561	17,468,484,021
Tax Levy for Town Purposes Including Special Districts	\$84,590,098	\$91,071,450	\$91,125,474	\$94,816,772	NA
Tax Rate per \$1,000 ⁽⁴⁾	\$3.88	\$4.30	\$3.92	\$3.90	NA

(1) Refers to the year for which taxes have been levied from the prior year assessment roll.

(2) Includes the assessed valuations of special franchises but excludes assessed valuations of all exempt properties to the extent they are exempt from general taxation.

(3) Computed by dividing the taxable assessed valuation by the State equalization rate established for that year.

(4) Represents rate for General Fund, Part-Town and Highway purposes only which use the same assessed valuation for tax purposes. It does not include various district taxes or Central Alarm.

(5) 2023-2024 is the preliminary number as of April 28, 2023.

Source: Town Assessor

Ten Largest Assessed Values for the 2024 Fiscal Year

The following table presents the total 2023 assessed valuations of the Town's largest property owners used for the 2024 tax levy.

TABLE 6
Assessed Valuations⁽¹⁾

<u>Property Owner</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Valuation</u> ⁽²⁾
Benderson Development Corporation	Retail	\$211,605,981	1.97%
National Grid Power	Utility	152,255,173	1.42%
Uniland Development	Offices	132,183,808	1.23%
MJ Peterson	Apartments	129,771,400	1.21%
West College Park Assoc LLC	Offices	54,565,728	0.51%
National Fuel	Utility	54,234,068	0.51%
Dockside Village	Apartments	52,341,800	0.49%
1772 Sweet Home Rd LLC	Apartments	51,332,800	0.48%
Windsong Place Assoc LP	Apartments	47,111,060	0.44%
1185 Sweet Home Rd	Apartments	<u>37,070,000</u>	<u>0.35%</u>
Totals:		<u>\$922,471,818</u>	<u>8.61%</u>

(1) Various taxpayers of the Town are appealing their taxable obligations. Currently, there are claims pending. The Town expects that a resolution of these claims will not have an adverse effect on the collection of such taxes or the finances of the Town.

(2) Total taxable assessed valuation for 2022-2023 is \$10,714,606,195.

* This table is the Preliminary Assessed Valuations for 2023; 2024 Tax Levy, as of April 2023.

Source: Town Assessor

Tax Levy Limitation Law

Prior to the enactment of Chapter 97 of the New York Laws of 2011, as amended (the “Tax Levy Limitation Law”) all the taxable real property within the Town has been subject to the levy of ad valorem taxes to pay the bonds and notes of the Town and interest thereon without limitation as to rate or amount. However, the Tax Levy Limitation Law imposes a tax levy limitation upon the Town for any fiscal year commencing after January 1, 2012 without providing an exclusion for debt service on obligations issued by the Town. As a result, the power of the Town to levy real estate taxes on all the taxable real property within the Town to pay the principal of bonds and notes of the Town and the interest therein, is subject to statutory limitations, imposed by the Tax Levy Limitation Law.

The following is a brief summary of certain relevant provisions of Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implications thereof.

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy of the Town, subject to certain exceptions. The Tax Levy Limitation Law permits the Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the “Allowable Levy Growth Factor”, which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by: (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, with the result expressed as a decimal to four places. The Town is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the

real property tax levy limitation of the Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The governing board of the Town may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the governing board of the Town first enacts, by a vote of at least sixty percent of the total voting power of the governing board of the Town, a local law to override such limit for such coming fiscal year.

The Town did not override the tax limit for the 2015 through 2020 and 2023 fiscal years. In 2021 The Town Board approved overriding the tax levy cap.

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 bonds or notes of the Town or such indebtedness incurred after the effective date of the Tax Levy Limitation Law. As such, there can be no assurances that the Tax Levy Limitation Law will not come under legal challenge for violating (i) Article VIII, Section 12 of the State Constitution for not providing an exception for debt service on obligations issued prior to the enactment of the Tax Levy Limitation Law, (ii) Article VIII, Section 10 of the State Constitution by effectively eliminating the exception for debt service to general real estate tax limitations, and (iii) Article VIII, Section 2 of the State Constitution by limiting the pledge of its faith and credit by a municipality or school district for the payment of debt service on obligations issued by such municipality or school district.

TOWN INDEBTEDNESS

Constitutional Requirements

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

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

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

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes, or to be paid in one of the two fiscal years immediately succeeding the fiscal year in which such indebtedness was contracted, 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) or, in the alternative, the weighted average period of probable usefulness of the several objects or purposes for which such indebtedness is to be contracted; no installment may be more than fifty per centum in excess of the smallest prior installment unless the Town determines to issue debt amortized on the basis of substantially level or declining annual debt service. The Town is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and bond anticipation notes.

General. The Town is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such powers. The State Legislature is prohibited by a specific constitutional provision from restricting the power of the Town to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. There is no Constitutional limitation on the amount that may be raised by the Town by tax on real estate in any fiscal year to pay the principal of and interest on all indebtedness. However, the Tax Levy Limitation Law imposes a statutory limitation on the Town's power to increase its annual tax levy, unless the Town complies with certain procedural requirements to permit the Town to levy certain year-to-year increases in real property taxes. (See "*Tax Levy Limitation Law*" herein).

Statutory Procedure

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

Pursuant to the Local Finance Law, the Town authorizes the incurrence of indebtedness, including bonds and bond anticipation notes issued in anticipation of such bonds, by the adoption of a bond resolution, approved by at least two-thirds of the members of the Town Board, the finance board of the Town. Certain resolutions may be subject to permissive referendum, or may be submitted to the Town voters at the discretion of the Town Board. If a bond resolution is submitted to the voters by the Town Board, only a three-fifths vote of the Town Board is required for adoption.

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 provides a twenty-day statute of limitations after publication of a bond resolution which, in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. The Town has complied with such procedure with respect to the bond resolutions adopted in connection with authorization of the Notes prior to the closing date thereof.

Each bond resolution also authorizes the issuance of bond anticipation notes prior to the issuance of serial bonds. Statutory law in New York, permits notes to be renewed each year provided that principal is amortized and provided that such renewals do not (with certain exceptions) extend five years beyond the original date of borrowing. However, notes issued in anticipation of the sale of serial bonds for assessable improvements are not subject to such five year limit and may be renewed subject to annual reductions of principal for the entire period of probable usefulness of the purpose for which such notes were originally issued.

In addition, under each bond resolution, the Town Board may delegate, and has delegated, power to issue and sell bonds and notes, to the Supervisor, the chief fiscal officer of the Town.

In general, the Local Finance Law contains similar provisions providing the Town with power to issue general obligation revenue anticipation notes, tax anticipation notes, delinquency notes, and budget notes.

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

Constitutional Debt Limit

The following table sets forth the constitutional debt limit of the Town, as of May 15, 2023.

TABLE 7
Constitutional Debt Limit

<u>Roll</u>	<u>Tax</u>	<u>Assessed</u>	<u>Equalization</u>	<u>Full</u>
<u>Year</u>	<u>Year</u>	<u>Valuation</u>	<u>Rate</u>	<u>Valuation</u>
2019	2020	\$10,557,965,764	95.00%	\$11,113,648,173
2020	2021	10,649,110,379	91.00%	11,702,319,098
2021	2022	10,703,322,209	88.00%	12,162,866,147
2022	2023	10,714,606,195	74.00%	14,479,197,561
2023	2024	10,830,460,093	62.00%	<u>17,468,484,020</u>
Total Five-Year Full Valuation				\$66,926,514,999
Average Five-Year Full Valuation				<u>\$13,385,303,000</u>
Debt Limit - 7% of Average Full Valuation				<u>\$936,971,210</u>

Source: Town Assessor's Office and the New York State Office of Real Property Services.

Statement of Debt Contracting Power

The following is the calculation of the debt contracting power of the Town.

TABLE 8
Statutory Debt Limit and Net Indebtedness
(As of May 15, 2023)

Debt Contracting Limitation	\$936,971,210
Gross Direct Indebtedness	
Bond Anticipation Notes	\$58,606,800
Serial Bonds	<u>102,601,050</u>
Total Gross Direct Indebtedness	\$161,207,850
Exclusions and Deductions	
Water Bonds	\$16,451,572
Water BANs	0
Appropriations for Non-Exempt Bonds	5,857,737
Appropriations for Non-Exempt BANs	<u>4,071,184</u>
Gross Exclusions and Deductions	\$26,380,493
Total Net Indebtedness	<u>\$134,827,357</u>
Net Debt-Contracting Margin	<u>\$802,143,853</u>
Percentage of Debt-Contracting Margin Exhausted	<u>14.39%</u>

Source: Town Officials.

Trend of Outstanding Indebtedness

The following table provides information relating to the capital indebtedness outstanding at year end for the last five audited fiscal years.

TABLE 9
Outstanding Indebtedness

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Bonds	\$74,647,080	\$80,059,865	\$ 84,246,000	\$86,091,000	\$93,691,000
Bond Anticipation Notes	<u>32,946,190</u>	<u>31,840,257</u>	<u>34,462,977</u>	<u>37,389,892</u>	<u>34,295,023</u>
Total Outstanding Debt	<u>\$107,593,270</u>	<u>\$111,900,122</u>	<u>\$118,708,977</u>	<u>\$123,480,892</u>	<u>\$127,986,023</u>

Source: Town Audited Financial Reports.

Direct and Overlapping Indebtedness

The real property taxpayers of the Town are responsible for a proportionate share of outstanding debt obligations of the County and other governmental units. Such taxpayers' share of this overlapping debt is based upon the amount of the Town'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 Town and the approximate magnitude of the burden on taxable property in the Town of the debt instruments issued and outstanding by such other political units. Authorized but unissued debt has not been included.

TABLE 10
Statement of Direct and Overlapping Indebtedness

Direct Debt:				
Gross Direct Debt				\$161,207,850
Exclusions and Deductions				<u>26,380,493</u>
Net Direct Debt				<u>\$134,827,357</u>
Overlapping Debt:				
<u>Issuer</u>	<u>As of</u>	<u>Net Debt</u>	<u>Town</u>	<u>Amount</u>
		<u>Outstanding</u>	<u>Share</u>	<u>To Town</u>
Erie County	06/30/2022	\$293,705,000	16.40%	\$48,167,620
Williamsville CSD	12/07/2022	30,495,000	88.42%	26,963,679
Sweet Home CSD	12/29/2022	24,864,041	84.78%	21,079,734
Amherst CSD	12/05/2022	41,520,000	100.00%	41,520,000
Clarence CSD	12/22/2022	20,305,129	3.27%	663,978
Village of Williamsville	05/31/2021	4,775,000	100.00%	<u>4,775,000</u>
Net Overlapping Debt				\$143,170,011
Net Direct Debt				<u>\$134,827,357</u>
Total Net Direct and Overlapping Debt				<u>\$277,997,368</u>

Source: Official Statements and State Comptroller's Special Report.

Short Term Indebtedness

Following the issuance of Notes, the Town will have \$58,606,800 and \$26,385,000 in bond anticipation notes both maturing on November 3, 2023.

Other Indebtedness

Except as set forth herein, the Town does not have any other indebtedness.

Debt Ratios

The following table presents certain debt ratios relating to the Town's net direct and overlapping indebtedness.

TABLE 12
Debt Ratios

	<u>Amount</u>	<u>Debt Per</u> <u>Capita</u> ⁽¹⁾	<u>Debt to</u> <u>Full Value</u> ⁽²⁾
Net Direct Debt	\$134,827,357	\$1,040	0.77%
Net Direct & Overlapping Debt	\$277,997,368	\$2,145	1.59%

(1) The population of the Town is 129,595 according to the 2020 U.S. Census.

(2) The Town's preliminary full value of taxable real property for 2023 is \$17,468,484,021.

Debt Service Schedule

The following table sets forth all principal and interest payments required on the Town's outstanding bonded indebtedness, exclusive of the Notes, as of May 15, 2023.

TABLE 13
Bond Principal and Interest Maturity

Fiscal Year <u>Ending Dec. 31:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$7,985,050	\$ 2,200,000	\$10,185,050
2024	7,860,000	3,332,384	11,192,384
2025	7,775,000	3,035,684	10,810,684
2026	7,805,000	2,744,522	10,549,522
2027	7,440,000	2,450,415	9,890,415
2028	7,360,000	2,170,296	9,530,296
2029	7,060,000	1,891,003	8,951,003
2030	6,630,000	1,625,890	8,255,890
2031	6,120,000	1,375,240	7,495,240
2032	5,895,000	1,165,440	7,060,440
2033	5,505,000	981,034	6,486,034
2034	5,150,000	807,978	5,957,978
2035	4,756,000	651,253	5,407,253
2036	3,920,000	502,688	4,422,688
2037	3,775,000	378,613	4,153,613
2038	3,275,000	258,725	3,533,725
2039	2,785,000	153,931	2,938,931
2040	985,000	59,106	1,044,106
2041	275,000	18,844	293,844
2042	185,000	8,156	193,156
2043	60,000	1,425	61,425
Totals:	<u>\$102,601,050</u>	<u>\$25,812,627</u>	<u>\$128,413,677</u>

Note: Columns may not sum due to rounding

Source: Town Officials

ECONOMIC AND DEMOGRAPHIC DATA

Population

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

TABLE 14
Population Trend

	<u>2010</u>	<u>2020</u>	<u>Percentage Change</u>
Town	122,375	129,595	5.9%
County	919,040	954,236	3.8%
State	19,378,102	20,201,249	4.3%

Source: US Census Bureau

Employment and Unemployment

The following tables provide information concerning employment in the Town, County and State. Data provided for the County and the State may not be representative of the Town. The Town is centrally located in Western New York, and many of its residents are employed throughout the neighboring communities.

TABLE 15
Large Commercial and Industrial Employers in the Town

<u>Name</u>	<u>Type</u>	<u>Approx. No. of Employees</u>
Geico	Insurance	3,000 – 4,000
People, Inc.	Non-profit	2,000 – 3,000
Williamsville Central School District	Public School District	2,000 – 3,000
Citi	Banking	1,000 – 2,000
Elderwood	Healthcare	1,000 – 2,000
Ingram Micro, Inc.	Technology	1,000 – 2,000
Independent Health	Health Insurance	1,000 – 2,000
Aspire of WNY	Human Services	1,000 – 2,000
National Fuel Gas Co.	Energy	1,000 – 2,000
Town of Amherst	Local Government	500 – 1,000

Source: Buffalo Business First, published July 28, 2017.

TABLE 16
Civilian Labor Force
(Thousands)

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Town	63.2	63.6	61.6	60.9	62.5
County	451.6	452.5	445.1	435.6	443.9
State	9,842.3	9,880.2	9,575.0	9,441.5	9,481.3

Source: New York State Department of Labor, Bureau of Labor Statistics.

TABLE 17
Yearly Average Unemployment Rates

<u>Year</u>	<u>Town</u>	<u>County</u>	<u>State</u>
2018	3.5%	4.4%	4.1%
2019	3.3%	4.1%	3.8%
2020	6.9%	9.5%	9.9%
2021	4.0%	5.5%	6.9%
2022	2.8%	3.7%	4.4%

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

TABLE 18
Monthly Unemployment Rates

<u>Month</u>	<u>Town</u>	<u>County</u>	<u>State</u>
April 2022	2.4%	3.3%	4.1%
May	2.6%	3.1%	4.0%
June	2.9%	3.5%	4.1%
July	3.2%	3.8%	4.3%
August	3.2%	3.9%	4.2%
September	2.6%	3.2%	3.6%
October	2.4%	3.0%	3.7%
November	2.7%	3.2%	3.8%
December	2.5%	3.3%	3.8%
January 2023	3.2%	4.2%	4.6%
February	3.0%	3.9%	4.5%
March	2.6%	3.5%	4.0%

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

Financial Institutions

The following commercial banks have one or more offices located within the Town: M & T Bank, Citizens Bank, Key Bank and Bank of America, N.A.

Transportation

Transportation facilities include an excellent network of highways, the New York State Thruway, the Youngman and Lockport Expressways, and the Metro Bus System. Several major airlines operating from the Buffalo-Niagara International Airport also serve the area. These facilities make the Town easily accessible to the large diversified industrial area of the Niagara Frontier.

Income

TABLE 19
Per Capita Income

	<u>2010</u>	<u>2020</u>
Town	\$35,658	\$43,883
County	26,378	35,050
State	30,948	40,898

TABLE 20
Median Family Income

	<u>2010</u>	<u>2020</u>
Town	\$90,162	\$76,781
County	63,404	59,464
State	67,405	71,117

Source: U.S. Census Bureau.

LITIGATION

In the normal course of business, the Town is involved in various matters of litigation. Other than the matter described below, in the opinion of the Town Attorney, there is no litigation by or pending against the Town that is not covered by insurance, budgetary appropriations or other provisions which could have a materially adverse impact on the financial condition of the Town. In addition, notices of claim have been filed with the Town. The allegations set forth in the claims relate to various circumstances including personal injury, property damage, civil rights violations and breach of contract. The claims seek money damages. In the opinion of the Town Attorney, other than the matter described below, the resolution of such various claims presently pending against the Town will not have an adverse material effect on the Town's financial position. Such matters are immaterial or adequately covered by existing insurance coverage. Pursuant to Local Finance Law, the Town is authorized to issue bonds or notes to finance any judgments and claims decided against the Town, if necessary. In the past, the Town has, on occasion, issued bonds or notes to finance judgments.

END OF APPENDIX A

APPENDIX B

**SUMMARY OF FINANCIAL
STATEMENTS AND BUDGETS**

Town of Amherst, New York
Comparative Balance Sheet
(General Fund and Special Revenue Funds)
At December 31

	<u>General Fund</u>		<u>Special Revenue Fund</u>	
	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$7,865,705	\$10,469,691	\$8,192,859	\$9,742,267
Restricted Investments	278,062	1,011,735	17,073,704	19,852,288
Accounts Receivable	1,949,632	1,879,797	200,486	141,390
Due from Other Funds	591,592	4,649,799	1,548,937	0
Due from Other Governments	3,052,841	3,289,313	2,200,042	2,563,644
Prepaid Items	4,402,540	5,346,628	1,176,918	1,374,538
Loans Receivable	0	0	7,297,610	7,118,633
Total Assets	<u>\$18,140,372</u>	<u>\$26,646,963</u>	<u>\$37,690,556</u>	<u>\$40,792,760</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	884,782	1,068,206	1,464,623	1,405,857
Accrued Liabilities	1,113,973	1,268,460	452,166	389,460
Due to Other Funds	52,795	0	239,333	2,436,084
Due to Other Governments	56,550	0	745	990
Unearned Revenues	11,134	184,594	0	0
Total Liabilities	<u>\$2,119,234</u>	<u>\$2,521,260</u>	<u>\$2,156,867</u>	<u>\$4,232,391</u>
Deferred Inflows of Resources:				
Grant funding and loans receivable	\$75,290	\$0	\$4,064,886	3,840,490
Fund Balance:				
Nonspendable	4,402,540	5,346,628	2,676,918	1,374,538
Restricted	191,638	827,141	20,258,392	22,813,056
Assigned	3,602,387	3,909,096	8,541,130	8,541,198
Unassigned	7,749,283	14,042,838	(7,637)	(8,913)
Total Fund Balance	<u>15,945,848</u>	<u>24,125,703</u>	<u>31,468,803</u>	<u>32,719,879</u>
Total Liabilities & Fund Balance	<u>\$18,140,372</u>	<u>\$26,646,963</u>	<u>\$37,690,556</u>	<u>\$40,792,760</u>

Source: Audited Governmental Funds Financial Statements.

THIS SUMMARY WAS NOT SUBJECT TO AUDIT.

Town of Amherst, New York

**General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues:					
Real Property Taxes	\$25,894,973	\$26,166,790	\$28,996,302	\$31,298,412	\$36,628,885
Real Property Tax Items	1,233,761	1,202,398	1,199,109	1,251,959	1,347,224
Non property Tax Items	20,040,656	20,804,218	21,222,418	20,619,250	23,519,998
Departmental Income	4,805,525	4,717,277	4,861,025	3,305,573	4,184,585
Use of Money and Property	187,902	323,345	383,538	231,733	281,461
Licenses and Permits	57,393	70,760	40,678	15,208	30
Fines and Forfeitures	2,150,389	1,920,535	1,924,821	1,105,233	978,863
Sale of property and compensation for loss	94,647	21,022	26,659	804,222	65,496
Miscellaneous	1,416,994	1,112,391	1,676,178	1,452,250	2,335,339
State Aid	4,353,142	4,249,109	4,583,866	4,679,756	6,084,600
Federal Aid	97,237	55,438	154,757	881,038	7,809,606
Total Revenues	<u>60,332,619</u>	<u>60,643,283</u>	<u>65,069,351</u>	<u>65,644,634</u>	<u>83,236,087</u>
Expenditures:					
General Government Support	11,845,782	11,899,474	12,144,531	12,343,214	14,734,541
Public Safety	35,891,730	36,243,373	37,339,579	37,301,351	39,693,287
Transportation	2,076,860	2,044,892	2,118,097	1,958,010	2,062,829
Economic Assistance & Opportunity	3,481,356	3,310,243	3,358,806	3,187,254	3,194,123
Culture and Recreation	8,942,684	8,888,128	8,822,759	7,672,670	8,026,841
Home and community services	0	0	836,804	1,043,592	1,171,426
Debt Service	140,333	135,841	217,449	169,874	8,609,450
Total Expenditures	<u>62,378,745</u>	<u>62,521,951</u>	<u>64,838,025</u>	<u>63,675,965</u>	<u>77,492,497</u>
Excess of Revenues Over (Under)					
Expenditures	<u>(2,046,126)</u>	<u>(1,878,668)</u>	<u>231,326</u>	<u>1,968,669</u>	<u>5,743,590</u>
Other Financing Sources (Uses):					
Operating Transfers In	3,472,658	3,638,866	4,456,431	3,632,583	3,815,203
Operating Transfers Out	(3,413,312)	(4,157,763)	(4,262,250)	(4,751,102)	(1,378,938)
Issuance of long-term deficiency notes	0	0	0	5,000,000	0
Total Other Financing Sources (Uses)	<u>59,346</u>	<u>(518,897)</u>	<u>194,181</u>	<u>3,881,481</u>	<u>2,436,265</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures (Uses)	(1,986,780)	(2,397,565)	425,507	5,850,150	8,179,855
Fund Balance at January 1	13,578,315	11,591,535	9,193,970	10,095,698	15,945,848
Adjustment	0	0	476,221	0	0
Fund Balance at December 31	<u>\$11,591,535</u>	<u>\$9,193,970</u>	<u>\$10,095,698</u>	<u>\$15,945,848</u>	<u>\$24,125,703</u>

Source: Audited Governmental Funds Financial Statements.

THIS SUMMARY WAS NOT SUBJECT TO AUDIT.

Town of Amherst, New York
Special Revenue Funds
Statement of Revenues, Expenditures and Changes in Fund Balances

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues:					
Real Property Taxes	25,275,590	23,611,781	31,280,151	31,752,674	33,622,853
Departmental Income	785,791	818,825	918,591	957,724	916,478
Intergovernmental Charges	2,571,821	2,233,798	2,634,044	2,635,334	2,714,793
Use of Money and Property	18,572	182,749	274,450	37,685	8,656
Sale of Property / compensation for loss	136,176	79,921	78,606	260,331	44,751
Miscellaneous	826,127	971,343	1,649,047	1,220,410	2,847,707
State Aid	952,992	903,693	724,816	975,962	1,188,233
Federal Aid	30,900,767	32,033,667	33,063,876	35,202,428	34,525,821
Total Revenues	<u>61,467,836</u>	<u>60,835,777</u>	<u>70,623,581</u>	<u>73,042,548</u>	<u>75,869,292</u>
Expenditures:					
General Government Support	6,383	2,790	8,808	19,255	482
Public Safety	0	0	6,183,654	6,291,661	6,444,312
Transportation	9,556,623	10,195,040	9,576,184	8,853,306	10,300,386
Home and Community	45,369,018	47,008,086	48,348,232	49,809,264	49,839,440
Debt Service - Principal	206,825	210,205	213,640	217,131	4,018,660
Debt Service - Interest	481,687	365,390	441,101	241,692	1,933,112
Total Expenditures	<u>55,620,536</u>	<u>57,781,511</u>	<u>64,771,619</u>	<u>65,432,309</u>	<u>72,536,392</u>
Excess of Revenues Over (Under) Expenditures	<u>5,847,300</u>	<u>3,054,266</u>	<u>5,851,962</u>	<u>7,610,239</u>	<u>3,332,900</u>
Other Financing Sources (Uses):					
Operating Transfers In	331,080	1,487,944	1,809,589	684,736	1,341,629
Operating Transfers Out	(6,568,002)	(7,099,285)	(7,877,680)	(8,521,064)	(3,423,453)
Other Financing Sources (Uses)	<u>(6,236,922)</u>	<u>(5,611,341)</u>	<u>(6,068,091)</u>	<u>(7,836,328)</u>	<u>(2,081,824)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(389,622)	(2,557,075)	(216,129)	(226,089)	1,251,076
Fund Balance at January 1	22,657,248	22,267,626	31,911,021	31,694,892	31,468,803
Fund Balance at December 31	<u>\$22,267,626</u>	<u>\$19,710,551</u>	<u>\$31,694,892</u>	<u>\$31,468,803</u>	<u>\$32,719,879</u>

Source: Audited Governmental Funds Financial Statements.
THIS SUMMARY WAS NOT SUBJECT TO AUDIT.

Town of Amherst, New York

2022 Budget Summary

	<u>Appropriations</u>	<u>Estimated Revenues</u>	<u>Appropriated Fund Balance</u>	<u>Amount Raised By Taxes</u>
General Fund:				
Town Share	\$73,551,461	\$42,698,645	\$3,125,702	\$27,727,114
Village Share	3,395,501	547,496	144,298	2,703,707
Subtotal	<u>76,946,962</u>	<u>43,246,141</u>	<u>3,270,000</u>	<u>30,430,821</u>
Central Alarm	1,662,481	453,708	0	1,208,773
Total General Fund	<u>78,609,443</u>	<u>43,699,849</u>	<u>3,270,000</u>	<u>31,639,594</u>
Part-Town-Outside Village	5,609,029	3,593,516	100,000	1,915,513
Community Environ.	8,095,024	124,513	15,000	7,955,511
Highway Fund	14,234,901	2,253,054	1,500,000	10,481,847
Lighting Districts	3,449,379	4,823	0	3,444,556
Fire Protection Fund	6,402,099	30,367	41,425	6,330,307
Sanitary Sewer Districts	23,888,868	3,640,741	1,600,000	18,648,127
Storm Water Drainage Districts	6,299,804	148,794	0	6,151,010
Water Districts	<u>1,807,638</u>	<u>114,033</u>	<u>105,000</u>	<u>1,588,605</u>
Total Operating Budgets	<u>148,396,185</u>	<u>53,609,690</u>	<u>6,631,425</u>	<u>88,155,070</u>
Snow Relief District 2	44,950	0	0	44,950
TOTAL ALL FUNDS & DISTRICTS	<u><u>\$148,441,135</u></u>	<u><u>\$53,609,690</u></u>	<u><u>\$6,631,425</u></u>	<u><u>\$88,200,020</u></u>

Other Items:	<u>Charge</u>	<u>Interest</u>	<u>Total</u>
Delinquent Water Bills - Erie County Water Authority	\$0	\$0	\$0
Delinquent Sewer Bills - Village	3,441	344	3,785
Code Violations	70,858	7,086	77,944
RPT 520	69,383	0	69,383
Pretreated Charges	271,152	0	271,152
Omitted Tax	0	0	0
	<u><u>\$414,834</u></u>	<u><u>\$7,430</u></u>	<u><u>\$422,264</u></u>

Source: Budget summary extracted from 2022 Adopted Budget.

Town of Amherst, New York

2023 Budget Summary

	<u>Appropriation</u>	<u>Estimated Revenues</u>	<u>Appropriated Fund Balance</u>	<u>Amount Raised By Taxes</u>
General Fund:				
Town Share	\$76,388,764	\$43,893,659	\$6,305,258	\$26,189,847
Village Share	3,570,827	558,335	294,742	\$2,717,750
Subtotal	79,959,590	44,451,994	6,600,000	28,907,597
Central Alarm	1,602,084	496,811	0	1,105,274
Total General Fund	81,561,675	44,948,804	6,600,000	30,012,870
Part-Town-Outside Village	6,006,284	3,803,755	1,000,000	1,202,529
Community Environ.	8,679,473	140,404	255,000	8,284,069
Highway Fund	15,650,801	2,222,590	950,000	12,478,212
Lighting Districts	3,474,031	5,241	0	3,468,790
Fire Protection Fund	6,558,995	28,992	-	6,530,003
Sanitary Sewer Districts	25,378,770	3,517,114	-	21,861,656
Storm Water Drainage Districts	6,299,483	136,770	0	6,162,713
Water Districts	1,908,798	82,415	-	1,826,383
Total Operating Budgets	155,518,311	54,886,084	8,805,000	91,827,226
Snow Relief District 2	44,951	0	0	44,951
TOTAL ALL FUNDS & DISTRICTS	\$155,563,261	\$54,886,084	\$8,805,000	\$91,872,177

	<u>Charge</u>	<u>Interest</u>	<u>Total</u>
Other Items:			
Delinquent Water Bills - Erie County Water Authority	\$4,849	\$485	\$5,334
Delinquent Sewer Bills - Village	3,023	302	3,325
Code Violations	75,594	7,559	83,154
RPT 520	67,270	0	67,270
Pretreated Charges	272,399	0	272,399
Omitted Tax	0	0	0
	\$423,136	\$8,347	\$431,483

Source: Budget summary extracted from 2023 Adopted Budget.

APPENDIX C

**INDEPENDENT AUDITORS' REPORT
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/P21587013-P11241102-P11664620.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. Drescher & Malecki, LLP has not been requested by the Town
to further review and/or update such Financial Statements or opinion in connection
with the preparation and dissemination of this Official Statement.**