

PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 25, 2026

NEW AND RENEWAL ISSUES

SERIAL BONDS AND BOND ANTICIPATION NOTES

MOODY'S BOND RATING: "Aaa/Stable"

See "RATINGS" herein

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Town, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Series A Bonds and the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), (ii) interest on the Series A Bonds and the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Bonds and the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code, and (iii) interest on the Series A Bonds and the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York and the City of Yonkers. In addition, in the opinion of Bond Counsel, interest on the Series B Bonds (i) is included in gross income for federal income tax purposes and (ii) is exempt, under existing statutes, from personal income taxes of New York State and its political subdivisions, including The City of New York and the City of Yonkers. See "TAX MATTERS-SERIES A BONDS AND THE NOTES" AND "TAX MATTERS-SERIES B BONDS" herein.

The Town will NOT designate the Bonds or the Notes as "qualified tax-exempt obligations" pursuant to the provisions of Section 265 of the Code.

\$118,249,503*

TOWN OF NORTH HEMPSTEAD

NASSAU COUNTY, NEW YORK

GENERAL OBLIGATIONS

\$14,435,926* Public Improvement Serial Bonds – 2026 Series A

(the "Series A Bonds")

Dated: March 19, 2026

Due: March 15, 2027 – 2041

AND

\$1,895,020* General Obligation Serial Bonds – 2026 Series B (Federally Taxable)

(the "Series B Bonds" and together with the Series A Bonds, the "Bonds")

Dated: March 19, 2026

Due: March 15, 2027 – 2036

AND

\$101,918,557 Bond Anticipation Notes – 2026 Series A

(the "Notes" and together with the Bonds, the "Bonds and Notes")

Dated: March 19, 2026

Due: March 19, 2027

The Bonds and the Notes are general obligations of the Town of North Hempstead, Nassau County, New York (the "Town"), 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 Bonds and the Notes are payable from ad valorem taxes which may be levied upon all the taxable real property within the Town, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended (the "Tax Levy Limit Law"). (See "TAX LEVY LIMIT LAW" herein).

Proposals for the Series A Bonds must be a bid of not less than \$14,435,926 for all of the Series A Bonds. Proposals for the Series A Bonds shall be accompanied by a good faith deposit in the form of a wire transfer or, certified or cashier's check payable to the order of the Town of North Hempstead, Nassau County, New York, in the amount of \$145,000. For more information, please see the accompanying Notice of Sale for Series A Bonds.

Proposals for the Series B Bonds must be a bid of not less than \$1,895,020 for all of the Series B Bonds. A good faith deposit is not required for the Series B Bonds.

The Series A Bonds maturing in the years 2035 through 2041, inclusive, are subject to redemption prior to maturity as described herein. The Series B Bonds shall not be subject to redemption prior to maturity. (see "Optional Redemption for the Bonds" herein).

The Bonds will be dated the date of their delivery. Principal on the Bonds will be payable on March 15 in each of the years shown on the inside cover page hereof. Interest on the Bonds will be calculated on a 30-day month and 360-day year basis, payable at maturity, or prior redemption. Interest on the Bonds will be payable on March 15, 2027, September 15, 2027, and semi-annually thereafter on March 15 and September 15 until maturity. Principal and interest on the Bonds will be paid in lawful money of the United States of America (Federal Funds) by the Town to the Securities Depository, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds, as described herein.

The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, Jersey City, New Jersey ("DTC" or the "Securities Depository"), which will act as Securities Depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof, except for a necessary odd denomination in the first maturity of the Bonds. Purchasers will not receive certificates representing their ownership interests in the Bonds. Payment of the principal of and interest on the Bonds will be made by the Town to DTC, which will in turn remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds as described herein. (See "*DESCRIPTION OF BOOK-ENTRY SYSTEM*" herein).

The Notes are dated March 19, 2026 and will mature, without the option of prior redemption, on March 19, 2027. Interest on the Notes will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in registered form and at the option of the purchaser(s) the Notes will be (i) registered in the name of the successful bidder(s) or (ii) registered to Cede & Co., as the partnership nominee for DTC as book-entry notes.

For those Notes issued as book-entry notes, DTC will act as the securities depository for the Notes and Noteholders will not receive certificates representing their ownership interest in the Notes. Individual purchases of such registered Notes may be made in denominations of \$5,000 or integral multiples thereof, except for a necessary odd denomination. Payment of the principal of and interest on the Notes will be paid in lawful money of the United States of America (Federal Funds) by the Town to DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. (See "*DESCRIPTION OF BOOK-ENTRY SYSTEM*" herein).

For those Notes registered to the purchaser(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(s) at such interest rate. Principal of and interest on the Notes will be payable in Federal Funds at maturity at such bank(s) or trust company(ies) located and authorized to do business in the State of New York as may be selected by the successful bidder(s).

The Bonds and the Notes are offered subject to the final respective approving opinions of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel, and certain other conditions. It is expected that delivery of the Bonds and the Notes in definitive form will be made on or about March 19, 2026.

ELECTRONIC BIDS for the Bonds or the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on March 5, 2026 until 11:15 A.M., Eastern Time, pursuant to the respective Notices of Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the Town, each bid will constitute an irrevocable offer to purchase the Bonds or the Notes pursuant to the terms provided in the respective Notices of Sale.

This Preliminary Official Statement is in a form "deemed final" by the Town for the purpose of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). For a description of the Town's agreements to provide continuing disclosure as described in the Rule, see "CONTINUING DISCLOSURE" herein.

* Preliminary, subject to change.

\$14,435,926* Public Improvement Serial Bonds – 2026 Series A
(the “Series A Bonds”)

Dated: March 19, 2026

Due: March 15, 2027 – 2041

MATURITIES**

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> †	<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> †
2027	\$ 645,926				2035	\$ 965,000 *			
2028	925,000				2036	995,000 *			
2029	955,000				2037	995,000 *			
2030	945,000				2038	1,035,000 *			
2031	970,000				2039	1,065,000 *			
2032	870,000				2040	1,105,000 *			
2033	895,000				2041	1,145,000 *			
2034	925,000								

* The Series A Bonds maturing in the years 2035-2041, inclusive, are subject to redemption prior to maturity as described herein under the heading “*Optional Redemption for the Bonds*” herein.

** The maturities of the Series A Bonds are subject to change pursuant to the terms of the respective accompanying Notice of Bond Sale to achieve substantially level or declining annual debt service as provided in the New York Local Finance Law.

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

AND

\$1,895,020* General Obligation Serial Bonds – 2026 Series B (Federally Taxable)
(the “Series B Bonds”)

Dated: March 19, 2026

Due: March 15, 2027 – 2036

MATURITIES*

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> †	<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> †
2027	\$ 115,020				2032	\$ 195,000			
2028	165,000				2033	205,000			
2029	175,000				2034	215,000			
2030	180,000				2035	225,000			
2031	190,000				2036	230,000			

* The maturities of the Series B Bonds are subject to change pursuant to the terms of the respective accompanying Notice of Bond Sale to achieve substantially level or declining annual debt service as provided in the New York Local Finance Law.

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

AND

\$101,918,557 Bond Anticipation Notes – 2026 Series A
(the “Notes”)

Dated: March 19, 2026

Due: March 19, 2027

* Preliminary, subject to change.

**TOWN OF NORTH HEMPSTEAD
NASSAU COUNTY, NEW YORK
TOWN OFFICIALS**

JENNIFER S. DESENA

Supervisor

COUNCIL MEMBERS

ROBERT TROIANO JR.
EDWARD W. SCOTT III
DENNIS J. WALSH

CHRISTINE LIU
YARON LEVY
MARIANN DALIMONTE

RAGINI SRIVASTAVA

Town Clerk

MARY JO COLLINS

Receiver of Taxes

JOSEPH SCALERO

Deputy Supervisor / Chief of Staff

STEVEN POLLACK

Director of Governmental Research

RICHARD J. NICOLELLO, ESQ.

Town Attorney



FISCAL ADVISORS & MARKETING, INC.

Municipal Advisor

HAWKINS

Bond Counsel

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 Bonds and 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 which are believed to be reliable but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof.

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PREPARED WITH THE ASSISTANCE OF:

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**PRELIMINARY OFFICIAL STATEMENT
OF THE
TOWN OF NORTH HEMPSTEAD
NASSAU COUNTY, NEW YORK**

**RELATING TO
\$14,435,926* Public Improvement Serial Bonds – 2026 Series A
AND
\$1,895,020* General Obligation Serial Bonds – 2026 Series B (Federally Taxable)
AND
\$101,918,557 Bond Anticipation Notes – 2026 Series A**

This Official Statement, including the cover page and appendices thereto, has been prepared by the Town of North Hempstead, Nassau County, New York (the “Town”, the “County”, and “State,” respectively) and presents certain information relating to the Town’s \$14,435,926* Public Improvement Serial Bonds – 2026 Series A (referred to herein as the “Series A Bonds”), \$1,895,020* General Obligation Serial Bonds – 2026 Series B (Federally Taxable) (referred to herein as the “Series B Bonds”, and together with the Series A Bonds, the “Bonds”) and the Town’s \$101,918,557 Bond Anticipation Notes – 2026 Series A (referred to herein as the “Notes”) (collectively referred to herein as the “Bonds and Notes”).

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

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

NATURE OF THE OBLIGATIONS

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

The Bonds and the Notes are general obligations of the Town and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and the interest thereon, as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). For the payment of such principal of and interest on the Bonds and the Notes, the Town has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the Town, subject to certain statutory limitations imposed by the Tax Levy Limit Law. (See “*TAX LEVY LIMIT 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 Bonds and the Notes, and the State is specifically precluded 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. However, the Tax Levy Limit Law imposes a statutory limitation on the Town’s power to increase its annual tax levy. As a result, the power of the Town to levy real estate taxes on all the taxable real property within the Town is subject to statutory limitations set forth in Tax Levy Limit Law, 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 LIMIT LAW*” herein).

* Preliminary, subject to change.

THE BONDS

Description of the Bonds

The Bonds are general obligations of the Town and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the Town is subject to the levy of ad valorem taxes to pay principal of and interest on the Bonds, subject to certain statutory limitations imposed by the Tax Levy Limit Law. (See “*TAX LEVY LIMIT LAW*” herein).

The Bonds will be dated their date of delivery, and will mature in the principal amounts on March 15, in each of the years as set forth herein. Interest on the Bonds will be payable on March 15, 2027, September 15, 2027, and semi-annually thereafter on March 15 and September 15 until maturity. Interest on the Bonds will be calculated on a 30-day month and 360-day year basis, payable at maturity.

Upon issuance of the Bonds, a single fully-registered bond will be issued for each maturity. Principal and interest will be paid by the Town to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein. The “Record Date” of the Bonds will be the last day (whether or not a business day) of the calendar month immediately preceding each such interest payment date. The Bonds may be transferred in the manner described on the Bonds and as referenced in certain proceedings of the Town referred to therein.

The Bonds will be issued in fully registered form and when issued will be registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as Securities Depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof, except for a necessary odd denomination in the bonds maturing March 15, 2027. Purchasers will not receive certificates representing their interest in the Bonds.

Optional Redemption for the Bonds

The Series A Bonds maturing on or before March 15, 2034 shall not be subject to redemption prior to maturity. The Series A Bonds maturing on or after March 15, 2035 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed), at the option of the Town on March 15, 2034 or on any date thereafter at a redemption price equal to the principal amount of the Series A Bonds to be redeemed plus accrued interest to the date of redemption.

If less than all of the Series A Bonds of any maturity are to be redeemed, the particular Series A Bonds of such maturity to be redeemed shall be selected by the Town by lot in any customary manner of selection as determined by the Town Supervisor. Notice of such call for redemption shall be given by providing notice to the registered holder not more than sixty (60) days nor less than thirty (30) days prior to such date. Notice of redemption having been given as aforesaid, the Series A Bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable, together with interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

The Series B Bonds shall not be subject to redemption prior to maturity.

Authority for and Purpose of the Series A Bonds

The Series A Bonds are issued pursuant to the Constitution and Laws of the State, including, among others, the Town Law, the Local Finance Law and various bond resolutions duly adopted by the Town Board on their respective dates for the objects or purposes listed below. A portion of the proceeds from the sale of the Series A Bonds in the amount of \$5,095,000, together with \$55,000 of available funds of the Town, will be used to redeem a \$5,150,000 portion of the Town's \$85,016,115 Bond Anticipation Notes – 2025 Series A at maturity. The remaining portion of the proceeds from the sale of the Series A Bonds in the amount of \$9,340,926 will provide original or additional original financing for certain purposes as outlined below.

<u>Purpose</u>	<u>Resolution Number</u>	<u>Amount Outstanding</u>	<u>Principal Paydown</u>	<u>New Money</u>	<u>Total Bond Proceeds</u>
Acquisition of Various Vehicles and Equipment	606-2019	\$ -	\$ -	\$ 101,736	\$ 101,736
Acquisition of Various Vehicles and Equipment for Use by the Town	554-2020	-	-	57,240	57,240
Installation of New Fencing at Various Locations in the Town	99-2024	-	-	126,519	126,519
Acquisition and Installation of Various Software and Hardware Upgrades	13-2026	-	-	271,000	271,000
Various Software and Hardware Upgrades	603-2019	-	-	214,970	214,970
Increase and Improvement of Facilities of the North Hempstead Sidewalk District	24-2018	-	-	288,197	288,197
Authorizing Pool Improvements at Martin "Bunky" Reid Park	551-2020	-	-	816,291	816,291
The Construction of Road Improvements	48-2026	-	-	345,465	345,465
The Construction of Road Improvements	614-2019	-	-	492,902	492,902
Construction of Road Improvements	54-2023	-	-	4,147,569	4,147,569
Construction of Improvements to Various Parks	548-2020	-	-	134,232	134,232
Acquisition of Heavy-Duty Equipment and Vehicles for Use by the Highway Department	553-2020	-	-	909,622	909,622
Improvements to Town Facilities	11-2026	-	-	300,000	300,000
Improvements to Town Facilities	11-2026	-	-	200,000	200,000
Improvements to Town Facilities	11-2026	-	-	100,000	100,000
Construction of Various Park Improvements	9-2026	-	-	100,000	100,000
Improvements to the Town's Public Works and Highway Department Facilities	676-2017	-	-	57,303	57,303
Improvements to the Town's Public Works and Highway Department Facilities	676-2017	-	-	50,000	50,000
Acquisition of Various Vehicles and Equipment for Use by the Town	700-2021	-	-	73,130	73,130
Construction of Improvements to Various Parks	548-2020	-	-	354,750	354,750
Construction of Various Park Improvements	9-2026	-	-	50,000	50,000
Construction of Various Park Improvements	9-2026	-	-	75,000	75,000
Construction of Various Park Improvements	9-2026	-	-	75,000	75,000
Improvements to Port Washington Water District	417-2021	5,150,000	55,000	-	5,095,000
Total		\$ 5,150,000	\$ 55,000	\$ 9,340,926	\$ 14,435,926

Authority for and Purpose of the Series B Bonds

The Series B Bonds are issued pursuant to the Constitution and Laws of the State, including, among others, the Town Law, the Local Finance Law and a bond resolution duly adopted by the Town Board on February 3, 2026 authorizing the issuance of \$1,895,020 serial bonds to finance a judgment in the matter of *Gail Selis v. Town of North Hempstead and Port Washington Senior Citizens, Inc., and third party action: Town of North Hempstead v. The Jewish Association for Services for the Aged*, Supreme Court, Nassau County. The proceeds of the Series B Bonds will provide original financing for the judgement.

THE NOTES

Description of the Notes

The Notes are dated March 19, 2026 and mature, without the option of prior redemption, on March 19, 2027. Interest on the Notes will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Town Clerk will act as Paying Agent for any Notes issued in book-entry form and the purchaser(s) will serve as paying agent for the Notes registered in the name of the purchaser(s). Paying agent fees, if any, will be paid by the purchaser(s).

No Optional Redemption for the Notes

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

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, the Local Finance Law and various bond resolutions duly adopted by the Town Board on their respective dates for the objects or purposes listed below. A portion of the proceeds from the sale of the Notes in the amount of \$76,775,000, together with \$1,697,000 in available funds of the Town, will be used to redeem a \$78,472,000 portion of the Town's \$85,016,115 Bond Anticipation Notes – 2025 Series A at maturity. The remaining portion of the proceeds from the sale of the Notes in the amount of \$25,143,557 will provide original or additional original financing for certain purposes as outlined below.

<u>Purpose</u>	<u>Resolution Number</u>	<u>Original Issue Date</u>	<u>Amount Outstanding</u>	<u>Principal Paydown</u>	<u>New Money</u>	<u>Total Note Proceeds</u>
Increase and Improvement of Facilities of the:						
Port Washington Water Pollution Control District	150-2018	4/20/2018	\$ 1,413,000	\$ 17,000	\$ -	\$ 1,396,000
Port Washington Water Pollution Control District	544-2013	8/11/2020	263,000	4,000	-	259,000
Port Washington Water Pollution Control District	150-2018	3/24/2022	1,712,000	21,000	-	1,691,000
Port Washington Water Pollution Control District	544-2013	3/23/2023	2,315,000	35,000	-	2,280,000
Port Washington Water Pollution Control District	654-2023	3/21/2024	3,400,000	29,000	-	3,371,000
Port Washington Water Pollution Control District	654-2023	3/21/2024	4,800,000	-	-	4,800,000
Port Washington Water Pollution Control District	150-2018	3/20/2025	453,000	-	-	453,000
Port Washington Water Pollution Control District	654-2023	3/19/2026	-	-	4,300,000	4,300,000
Albertson Water District	22-2020	8/11/2020	4,811,000	53,000	-	4,758,000
Albertson Water District	22-2020	3/25/2021	971,000	10,000	-	961,000
Albertson Water District	22-2020	3/24/2022	1,961,000	21,000	-	1,940,000
Carle Place Water District	20-2021	3/25/2021	3,406,000	35,000	-	3,371,000
Carle Place Water District	20-2021	3/24/2022	1,473,000	15,000	-	1,458,000
Carle Place Water District	20-2021	3/23/2023	2,971,000	30,000	-	2,941,000
Garden City Park Water District	502-2020	3/23/2023	2,970,000	30,000	-	2,940,000
Garden City Park Water District	502-2020	3/21/2024	1,000,000	10,000	-	990,000
Garden City Park Water District	502-2020	3/19/2026	-	-	1,000,000	1,000,000
Roslyn Water District	66-2021	3/25/2021	1,945,000	20,000	-	1,925,000
Roslyn Water District	66-2021	3/24/2022	981,000	981,000	-	-
Roslyn Water District	66-2021	3/23/2023	1,981,000	20,000	-	1,961,000
Roslyn Water District	66-2021	3/21/2024	1,000,000	10,000	-	990,000
Roslyn Water District	66-2021	3/20/2025	1,000,000	-	-	1,000,000
Westbury Water District	209-2020	8/11/2020	5,966,000	66,000	-	5,900,000
Westbury Water District	209-2020	3/24/2022	490,000	5,000	-	485,000
Westbury Water District	209-2020	3/21/2024	16,000,000	170,000	-	15,830,000
Westbury Water District	209-2020	3/19/2026	-	-	3,000,000	3,000,000
Port Washington Water District	369-2019	3/23/2023	990,000	10,000	-	980,000
Port Washington Water District	417-2021	3/21/2024	5,000,000	50,000	-	4,950,000
Port Washington Water District	417-2021	3/20/2025	4,200,000	45,000	-	4,155,000
Port Washington Water District	381-2024	3/20/2025	1,000,000	10,000	-	990,000
Port Washington Water District	381-2024	3/19/2026	-	-	2,500,000	2,500,000
Port Washington Police District	328-2024	3/20/2025	4,000,000	-	-	4,000,000
Port Washington Police District	328-2024	3/19/2026	-	-	7,500,000	7,500,000
Shoreline Stabilization Projects for Bayview						
Avenue and Robert Dayton Park	828-2016	3/19/2026	-	-	944,501	944,501
Town Dock Improvements	829-2016	3/19/2026	-	-	3,000,000	3,000,000
Various Park Improvements	548-2020	3/19/2026	-	-	392,347	392,347
Aquatic Sand Removal	837-2016	3/19/2026	-	-	200,000	200,000
Road Improvements	48-2026	3/19/2026	-	-	2,156,709	2,156,709
Design Plans and Specifications	12-2026	3/19/2026	-	-	150,000	150,000
Total:			\$ 78,472,000	\$ 1,697,000	\$ 25,143,557	\$ 101,918,557

DESCRIPTION OF BOOK-ENTRY SYSTEM

If so elected, the Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds and for those Notes issued in book-entry form. The Bonds and the Notes will each be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for each Note bearing the same rate of interest and CUSIP number, and will be deposited with DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. 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, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. 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”). DTC has been assigned a rating of AA- Standard & Poor’s. 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 Bonds and the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds and the Notes on DTC’s records. The ownership interest of each actual purchaser of each Bond and Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds and 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 Bonds and the Notes, except in the event that use of the book-entry system for the Bonds and the Notes is discontinued.

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

Principal and interest payments on the Bonds and the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Town, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds and 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, Bond and Note certificates are required to be printed and delivered.

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

Source: The Depository Trust Company.

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

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

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

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the Town and discharging its responsibilities with respect thereto under applicable law, or the Town may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of \$5,000 each or any integral multiple thereof, except for a necessary odd denomination in the first maturity of the Bonds. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the Town upon termination of the book-entry-only system. Interest on the Bonds will be payable on March 15, 2027, September 15, 2027, and semi-annually thereafter on March 15 and September 15 until maturity. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the last day of the calendar month (whether or not a business day) immediately preceding each such interest payment date of the Bonds. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Certificate of Determination of the Chief Financial Officer authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the last business day of the calendar month (whether or not a business day) preceding an interest payment date and such interest payment date.

Certificated Notes

For those Notes issued in book-entry form, the following provisions shall apply: 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 system transfers through DTC at any time. In the event that such book-entry-only system is discontinued, notes will be registered in the name of the purchaser(s) in denominations of \$5,000 or integral multiples, except for a necessary odd denomination. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State to be named by the Town as fiscal agent for the Notes.

REMEDIES UPON DEFAULT

Neither the Bonds, the Notes, nor the proceedings with respect thereto, specifically provide any remedies which would be available to owners of the Bonds or the Notes should the Town default in the payment of principal of or interest on the Bonds or the Notes, nor do they contain any provisions for the appointment of a trustee to enforce the interests of the owners of the Bonds or the Notes upon the occurrence of any such default. The Bonds and the Notes are general obligation contracts between the Town and the owners for which the faith and credit of the Town are pledged and while remedies for enforcement of payment are not expressly included in the Town's contract with such owners, any permanent repeal by statute or constitutional amendment of a bondholder's and/or noteholder's remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

Upon default in the payment of principal of or interest on the Bonds or the Notes at the suit of the owner, a Court has the power, in proper and appropriate proceedings, to render judgment against the Town. The present statute limits interest on the amount adjudged due to contract creditors to nine per centum per annum from the date due to the date of payment. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment. A Court also has the power, in proper and appropriate proceedings, to order payment of a judgment on such bonds or notes from funds lawfully available therefor or, in the absence thereof, to order the Town to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising its discretion as to whether to issue such an order, the Court may take into account all relevant factors, including the current operating needs of the Town and the availability and adequacy of other remedies. Upon any default in the payment of the principal of or interest on the Bonds or the Notes, the owners of such Bonds or Notes could, among other remedies, seek to obtain a writ of mandamus from a Court ordering the governing body of the Town to assess, levy and collect an ad valorem tax, upon all taxable property of the Town subject to taxation by the Town sufficient to pay the principal of and interest on the Bonds or the Notes as the same shall come due and payable (and interest from the due date to date of payment) and otherwise to observe the covenants contained in the Bonds or the Notes and the proceedings with respect thereto all of which are included in the contract with the owners of the Bonds or the Notes. The mandamus remedy, however, may be impracticable and difficult to enforce. Further, the right to enforce payment of the principal of or interest on the Bonds or the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws and equitable principles, which may limit the specific enforcement of certain remedies.

In 1976, the New York Court of Appeals, the State's highest court, held in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), that the New York State legislation purporting to postpone the payment of debt service on New York City obligations was an unconstitutional moratorium in violation of the New York State constitutional faith and credit mandate included in all municipal debt obligations. While that case can be viewed as a precedent for protecting the remedies of Bondholders and Noteholders, there can be no assurance as to what a Court may determine with respect to future events, including financial crises as they may occur in the State and in municipalities of the State, that require the exercise by the State of its emergency and police powers to assure the continuation of essential public services. (See also, *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 1088 (1977), where the Court of Appeals described the pledge as a direct Constitutional mandate.)

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the Town.

Pursuant to Article VIII, Section 2 of the State Constitution, the Town is required to provide an annual appropriation of monies for the payment of due and payable principal of and interest on indebtedness. Specifically this constitutional provision states: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness." This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. In *Quirk v. Municipal Assistance Corp.*, 41 N.Y.2d 644 (1977), the Court of Appeals described this as a "first lien" on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in the State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy, to pay debt service on such obligations, but that such pledge may or may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues. The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

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

In prior years, certain events and legislation affecting a holder's remedies upon default have resulted in litigation. While courts of final jurisdiction have generally upheld and sustained the rights of bondholders and/or noteholders, such courts might hold that future events, including a financial crisis as such may occur in the State or in political subdivisions of the State, may require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service.

MUNICIPAL BANKRUPTCY

The undertakings of the Town should be considered with reference, specifically, to Chapter IX of the Bankruptcy Act, 11 U.S.C. §401, et seq., as amended ("Chapter IX") and, in general, to other bankruptcy laws affecting creditors' rights and municipalities. Chapter IX permits any political subdivision, public agency or instrumentality that is insolvent or unable to meet its debts (i) to file a petition in a Court of Bankruptcy for the purpose of effecting a plan to adjust its debts provided such entity is authorized to do so by applicable state law; (ii) directs such a petitioner to file with the court a list of a petitioner's creditors; (iii) provides that a petition filed under such chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; (iv) grants priority to debt owed for services or material actually provided within three (3) months of the filing of the petition; (v) directs a petitioner to file a plan for the adjustment of its debts; and (vi) provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds (2/3) in amount or more than one-half (1/2) in number of the listed creditors.

Bankruptcy proceedings by the Town could have adverse effects on holders of bonds or notes including (a) delay in the enforcement of their remedies, (b) subordination of their claims to those supplying goods and services to the Town after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings and (c) imposition without their consent of a reorganization plan reducing or delaying payment of the Bonds or the Notes. The Bankruptcy Code contains provisions intended to ensure that, in any reorganization plan not accepted by at least a majority of a class of creditors such as the holders of general obligation bonds, such creditors will have the benefit of their original claim or the "indubitable equivalent". The effect of these and other provisions of the Bankruptcy Code cannot be predicted and may be significantly affected by judicial interpretation.

Accordingly, enforceability of the rights and remedies of the owners of the Bonds or the Notes, and the obligations incurred by the Town, may become subject to Chapter IX and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against public agencies in the State. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Bonds or the Notes to judicial discretion, interpretation and of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

The State has consented (see Title 6-A of the Local Finance Law) that any municipality in the State may file a petition with any United States district court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect for the composition or adjustment of municipal indebtedness. However, it is noted that there is no record of any recent filings by a New York municipality. Since the New York City fiscal crisis in 1975, the State has legislated a finance control or review board and assistance corporations to monitor and restructure finance matters in addition to New York City, for the Cities of Yonkers, Troy and Buffalo and for the Counties of Nassau and Erie. Similar active intervention pursuant to State legislation to relieve fiscal stress for the Town in the future cannot be assured.

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

The above references to the Bankruptcy Act are not to be construed as an indication that the Town is currently considering or expects to resort to the provisions of the Bankruptcy Act.

FINANCIAL CONTROL BOARDS

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

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

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

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

Several municipalities in the State are presently working with the FRB. The Town has not applied to the FRB and does not reasonably anticipate submission of a request to the FRB for a comprehensive review of its finances and operations. School districts and fire districts are not eligible for FRB assistance.

NO PAST DUE DEBT

No principal or interest payment on Town indebtedness is past due.

MARKET MATTERS AFFECTING FINANCINGS OF THE MUNICIPALITIES OF THE STATE

There are certain potential risks associated with an investment in the Bonds and the Notes, and investors should be thoroughly familiar with this Official Statement, including its appendices, in order to make an informed investment decision. Investors should consider, in particular, the following factors:

The Town’s credit rating could be affected by circumstances beyond the Town’s control. Economic conditions such as the rate of unemployment and inflation, termination of commercial operations by corporate taxpayers and employers, as well as natural catastrophes, could adversely affect the assessed valuation of Town property and its ability to maintain fund balances and other statistical indices commensurate with its current credit rating. As a consequence, a decline in the Town’s credit rating could adversely affect the market value of the Bonds and the Notes.

If and when an owner of any of the Bonds or the Notes should elect to sell all or a part of the Bonds or the Notes prior to maturity, there can be no assurance that a market will have been established, maintained and continue in existence for the purchase and sale of any of those Bonds or the Notes. The market value of the Bonds or the Notes is dependent upon the ability of holder to potentially incur a capital loss if such Bonds or the Notes are sold prior to its maturity.

There can be no assurance that adverse events including, for example, the seeking by another municipality in the State or elsewhere 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 Bonds or the Notes. In particular, if a significant default or other financial crisis should occur in the affairs of the State or any of its municipalities, public authorities or other political subdivisions thereby possibly further impairing the acceptability of obligations issued by those entities, both the ability of the Town to arrange for additional borrowings as well as the market for and market value of outstanding debt obligations, including the Bonds or the Notes, could be adversely affected.

The Town is dependent in part upon financial assistance from the State in the form of State aid as well as grants and loans to be received (“State Aid”). The availability of such monies and the timeliness of such payment may be affected by a delay in the adoption of the State budget, the impact to the State’s economy and financial condition due to other circumstances, including State fiscal stress. State aid appropriated and apportioned to the Town can be paid only if the State has such monies available therefore. The Town’s receipt of State aid may be delayed as a result of the State’s failure to adopt its budget timely and/or to appropriate State Aid to municipalities and school districts. Should the Town fail to receive all or a portion of the amounts of State Aid expected to be received from the State in the amounts and at the times anticipated, occasioned by a delay in the payment of such moneys or by a reduction in State Aid or its elimination, the Town is authorized pursuant to the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of such uncollected State Aid, however, there can be no assurance that, in such event, the Town will have market access for any such borrowing on a cost effective basis. The elimination of or any substantial reduction in State Aid would likely have a materially 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 “*State Aid*” herein.)

In addition, in some recent years, the Town’s receipt of State aid was delayed as a result of the County’s delay in disseminating State aid to towns within its borders, including the Town. If the County should further delay payments to the municipalities within its borders, including the Town, in this year or future years, the Town may be affected by such a delay.

Future amendments to applicable statutes whether enacted by the State or the United States of America affecting the treatment of interest paid on municipal obligations, including the Bonds and the Notes, for income taxation purposes could have an adverse effect on the market value of the Bonds and the Notes (See “*TAX MATTERS*” herein).

The enactment of the Tax Levy Limit Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the Town, without providing exclusion for debt service on obligations issued by municipalities and fire districts, may affect the market price and/or marketability for the Bonds and the Notes. (See “*TAX LEVY LIMIT LAW*” herein.)

Federal or State legislation imposing new or increased mandatory expenditures by municipalities, school districts and fire districts in the State, including the Town could impair the financial condition of such entities, including the Town and the ability of such entities, including the Town to pay debt service on the Bonds and the Notes.

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.

Cybersecurity

The Town, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the Town faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Town carries insurance with coverage for cyber incidents or attacks and invests in various forms of cybersecurity and operational controls. Nevertheless, 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.

LITIGATION

The Town in the normal course of business is involved in various matters of litigation. Other than the cases 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.

National Grid v. County of Nassau, Town of N Hempstead (Glenwood Power Plant Case): In April 2018, National Grid sued the County, the Town, North Shore Central School District, and various special districts within the Town alleging that when the Glenwood Power Plant was demolished the plant remained overtaxed because of the adjusted and current base proportions used to divide tax levy between property classes in the 2014-15 through 2017-18 tax years. The claim against Town defendants is for monies had and received. In a February 14, 2019 decision, the court dismissed National Grid's claims against the school districts based on the County Guaranty. The County Guaranty also applies to the claims against the Town. The Town did not file a motion to dismiss at that time. The County filed an appeal from that decision but withdrew the appeal in February 2020.

The Town's position is that the claim is covered by the County Guaranty and the Town has no refund liability. The Town's position is also that the Court's February 2019 decision is "law of the case" and bars the claims against the Town. After the County answered, the Town filed a motion for summary judgment, based on the County Guaranty. National Grid filed a motion for summary judgment on the issue of liability as against the County. In October 2022, the Court denied National Grid's motion for summary judgment, granted the County's motion for summary judgment and granted the Town's motion to dismiss and for summary judgment. National Grid has filed a Notice of Appeal regarding the Court's order. National Grid's appellate brief specifically states that they are not appealing that part of the Order which granted the Town's motion to dismiss. The appeal is still in the process of being perfected. National Grid has also moved to reargue its motion against the County and the County's motion against National Grid. Similar to their appeal, National Grid specifically has not moved to reargue the Town's motion to dismiss. The motion to reargue has been fully submitted and is awaiting a decision by the Court.

Separately, in April 2023, National Grid once again filed a similar lawsuit against the same parties. A stipulation extending time to answer was filed. National Grid again filed a summons and complaint in January 2024, presumably to protect their rights. The Town was served with same within the statutory period and obtained plaintiff's consent to another stipulation extending time until the determination of the appeal.

The Second Department rendered a decision in the case, which reversed in part the Supreme Court decision granting the County summary judgment and remanded the case to Supreme Court for the issuance of a declaratory judgment.

The Town will be removing this case from future responses in connection with the Official Statement. The Second Department does not affect the decision granting the Town summary judgment. Moreover, the Town was merely a nominal party in this litigation, has no responsibility for assessing plaintiff's property and has no refund liability.

Port Washington Water District v. Dow Chemical v. Town of North Hempstead: This third-party action is related to a consolidated series of litigations commenced by various water districts and municipalities across Long Island alleging that Dow and others contaminated the underground aquifers and their well waters because of the manufacture and distribution of products containing the chemical 1,4-Dioxane. These claims seek to recover damages sustained by the districts and municipalities due to the increased cost of treatment of the public water supply. Dow Chemical and others filed a third-party complaint in United States District Court for the Eastern District of New York against the Town in September of 2021 seeking contribution towards any damages it may suffer as a result of the judgment rendered in the underlying claims. Dow contends that North Hempstead's ownership of the Port Washington landfill is a contributing cause of the alleged contamination, and that the Town negligently failed to abate the presence and migration of 1,4-Dioxane from the landfill resulting in contamination of water wells of the Port Washington Water District. At this time, the third-party action has been stayed, and the Town has not been required to answer the complaint. The Town disputes the third-party claim, plans to vigorously defend the claim when and if the third-party action becomes active and continues to monitor the underlying municipal and district claims.

Gail Selis v. Town of North Hempstead and Port Washington Senior Citizens Inc.: This case involved a claim for injuries by an employee of the Jewish Association for Services for the Aged (JASA), who tripped and fell on a tear in a carpet in a Town building in which JASA had an office. After trial, the jury found the Town liable for plaintiff's injuries for \$1,324,683.82. A separate decision by the court found that JASA was liable to the Town for indemnification, and the Court signed a judgment in favor of the Town against JASA in the full amount of the verdict plus interest and costs and disbursements.

The Town has appealed the jury verdict, but the appeal was unsuccessful. The Town now owes the plaintiff \$1,895,020.83, which number includes the jury award, statutorily required present value adjustment and 9% interest since the jury verdict on damages. The Town is liable for the full amount as there was a failure to report the matter to the Town's excess insurer. The proceeds of the Series B Bonds will be used to finance this judgment.

JASA has appealed the decision awarding the Town indemnification, which is presently pending in the Appellate Division, Second Department. Even if the Town is successful in the appeal, it is questionable as to whether the Town will be able to recover against JASA. Their insurance policy had a \$1,000,000 deductible. Moreover, counsel for JASA states that the insurance limits have already been exhausted.

Christopher Hagen, as Administrator of the Estate of Gerrin Michael Hagen, Deceased v. Town of North Hempstead: This is a wrongful death claim arising out of the death of Gerrin Michael Hagen, an 18-year-old student at the Nassau County Board of Cooperative Educational Services (BOCES) facility known as Joseph M. Barry Career & Technical Education Center. The January 12, 2023, motor vehicle accident allegedly occurred when the decedent was exiting BOCES “as a pedestrian” and was struck by a motor vehicle operated by a 19-year-old motorist that was proceeding northbound in the southbound lane of Cantiague Lane, the roadway BOCES abuts. Newspaper reports indicate that the decedent was travelling on his skateboard at the time of the accident. The claim alleges that the accident occurred because of the Town’s failure to properly design, construct, monitor and maintain the roadways south of the intersection of Cantiague Lane and Robbins Lane in Westbury. In addition to his wrongful death, plaintiff is suing for the conscious pain and suffering endured by the plaintiff. The motorist that allegedly struck Mr. Hagen was indicted on charges of criminally negligent homicide in Mr. Hagen’s death in July 2023.

After plaintiff filed a summons and complaint, the action was settled without any contribution from the Town. The Town are awaiting receipt of the stipulation of discontinuance.

The Town will be removing this case from future responses in connection with the Official Statement as this case was settled by other parties with no contribution from the Town. The case is discontinued and closed.

TAX MATTERS – SERIES A BONDS AND THE NOTES

Opinion of Bond Counsel

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Town, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Series A Bonds and the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) and (ii) interest on the Series A Bonds and the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Series A Bonds and the Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. The Tax Certificate of the Town (the “Tax Certificate”), which will be delivered concurrently with the delivery of the Series A Bonds and the Notes will contain provisions and procedures relating to compliance with applicable requirements of the Code. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Town in connection with the Series A Bonds and the Notes, and Bond Counsel has assumed compliance by the Town with certain ongoing provisions and procedures set forth in the Tax Certificate relating to compliance with applicable requirements of the Code to assure the exclusion of interest on the Series A Bonds and the Notes from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel to the Town, under existing statutes, interest on the Series A Bonds and the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

Bond Counsel expresses no opinion as to any other federal, state or local tax consequences arising with respect to the Series A Bonds, the Notes, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Series A Bonds or the Notes.

Certain Ongoing Federal Tax Requirements and Certifications

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Series A Bonds and the Notes in order that interest on the Series A Bonds and the Notes be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Series A Bonds and the Notes, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Series A Bonds and the Notes to become included in gross

income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The Town, in executing the Tax Certificate, will certify to the effect that the Town will do and perform all acts and things necessary or desirable to assure the exclusion of interest on the Series A Bonds and the Notes from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Series A Bonds and the Notes. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Bond or a Note. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Series A Bonds and the Notes.

Prospective owners of the Series A Bonds and the Notes should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Series A Bonds and the Notes may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Discount

“Original issue discount” (“OID”) is the excess of the sum of all amounts payable at the stated maturity of a Bond or Note (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the “issue price” of a maturity (a bond with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the Series A Bonds and the Notes.

In general, the issue price for each maturity of Series A Bonds and Notes is expected to be the initial public offering price set forth on the cover page of the Official Statement. Bond Counsel further is of the opinion that, for any Bond or Note having OID (in this section, a “Discount Obligation”), OID that has accrued and is properly allocable to the owners of the Discount Obligation under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Series A Bond or the Note. In general, under Section 1288 of the Code, OID on a Discount Obligation accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Obligation. An owner’s adjusted basis in a Discount Obligation is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Series A Bond or Note. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Obligation even though there will not be a corresponding cash payment. Owners of Discount Obligations should consult their own tax advisors with respect to the treatment of original issue discount for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Obligations.

Bond Premium

In general, if an owner acquires a bond or note for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the bond or note after the acquisition date (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates), that premium constitutes “bond premium” on that bond or note (in this section, a “Premium Obligation”). In general, under Section 171 of the Code, an owner of a Premium Obligation must amortize the bond premium over the remaining term of the Premium Obligation, based on the owner’s yield over the remaining term of the Premium Obligation determined based on constant yield principles (in certain cases involving a Premium Obligation callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). An owner of a Premium Obligation must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner’s regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Obligation, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Obligation may realize a taxable gain upon disposition of the Premium Obligation even though it is sold or redeemed for an amount less than or equal to the owner’s original acquisition cost. Owners of any Premium Obligation should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Obligations.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Series A Bonds and the Notes. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient. If an owner purchasing a Series A Bond or a Note through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Series A Bonds and the Notes from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Series A Bonds and the Notes under federal or state law or otherwise prevent beneficial owners of the Series A Bonds and the Notes from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Series A Bonds and the Notes. Prospective purchasers of the Series A Bonds and the Notes should consult their own tax advisors regarding the foregoing matters.

TAX MATTERS – SERIES B BONDS

Opinion of Bond Counsel

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Town, interest on the Series B Bonds (i) is included in gross income for federal income tax purposes pursuant to the Code and (ii) is exempt, under existing statutes, from personal income taxes imposed by the State of New York and its political subdivision thereof, including The City of New York. The following discussion is a brief summary of the principal United States federal income tax consequences of the acquisition, ownership and disposition of Series B Bonds by original purchasers of the Series B Bonds who are "U.S. Holders," as defined herein. This summary (i) is based on the Code, Treasury Regulations, revenue rulings and court decisions, all as currently in effect and all subject to change at any time, possibly with retroactive effect; (ii) assumes that the Series B Bonds will be held as "capital assets"; and (iii) does not discuss all of the United States federal income tax consequences that may be relevant to a U.S. Holder in light of its particular circumstances or to U.S. Holders subject to special rules, such as insurance companies, financial institutions, tax-exempt organizations, dealers in securities or foreign currencies, persons holding the Series B Bonds as a position in a "hedge" or "straddle," U.S. Holders whose functional currency (as defined in Section 985 of the Code) is not the United States dollar, U.S. Holders who acquire Series B Bonds in the secondary market, or individuals, estates and trusts subject to the tax on unearned income imposed by Section 1411 of the Code.

Certain taxpayers that are required to prepare certified financial statements and file financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Series B Bonds at the time that such income, gain or loss is taken into account on such financial statements instead of under the rules described below. In addition, interest on the Series B Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

U.S. Holders of Series B Bonds should consult with their own tax advisors concerning the United States federal income tax and other consequences with respect to the acquisition, ownership and disposition of the Series B Bonds as well as any tax consequences that may arise under the laws of any state, local or foreign tax jurisdiction.

Original Issue Discount

In general, if Original Issue Discount (“OID”) is greater than a statutorily defined de minimis amount, a U.S. Holder of a Series B Bond having a maturity of more than one year from its date of issue must include in federal gross income (for each day of the taxable year, or portion of the taxable year, in which such U.S. Holder holds such Series B Bond) the daily portion of OID, as it accrues (generally on a constant-yield method) and regardless of the U.S. Holder’s method of accounting. “OID” is the excess of (i) the “stated redemption price at maturity” over (ii) the “issue price.” For purposes of the foregoing: “issue price” means the first price at which a substantial amount of the Series B Bond is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers); “stated redemption price at maturity” means the sum of all payments, other than “qualified stated interest,” provided by such Series B Bond; “qualified stated interest” is stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate; and “de minimis amount” is an amount equal to 0.25 percent of the Series B Bond’s stated redemption price at maturity multiplied by the number of complete years to its maturity. A U.S. Holder may irrevocably elect to include in gross income all interest that accrues on a Series B Bond using the constant-yield method, subject to certain modifications.

Acquisition Discount on Short-Term Bonds

Each U.S. Holder of a Series B Bond with a maturity not longer than one year (a “Taxable Short-Term Bond”) is subject to rules of Sections 1281 through 1283 of the Code, if such U.S. Holder is an accrual method taxpayer, bank, regulated investment company, common trust fund or among certain types of pass-through entities, or if the Taxable Short-Term Bond is held primarily for sale to customers, is identified under Section 1256(e)(2) of the Code as part of a hedging transaction, or is a stripped bond or coupon held by the person responsible for the underlying stripping transaction. In any such instance, interest on, and “acquisition discount” with respect to, the Taxable Short-Term Bond accrue on a ratable (straight-line) basis, subject to an election to accrue such interest and acquisition discount on a constant-interest-rate basis using daily compounding. “Acquisition discount” means the excess of the stated redemption price of a Taxable Short-Term Bond at maturity over the U.S. Holder’s tax basis therefor.

A U.S. Holder of a Short-Term Taxable Bond not described in the preceding paragraph, including a cash-method taxpayer, must report interest income in accordance with the U.S. Holder’s regular method of tax accounting, unless such U.S. Holder irrevocably elects to accrue acquisition discount currently.

Bond Premium

In general, if a Series B Bond is originally issued for an issue price (excluding accrued interest) that reflects a premium over the sum of all amounts payable on the Series B Bond other than “qualified stated interest” (a “Taxable Premium Bond”), that Taxable Premium Bond will be subject to Section 171 of the Code, relating to bond premium. In general, if the U.S. Holder of a Series B Bond elects to amortize the premium as “amortizable bond premium” over the remaining term of the Series B Bond, determined based on constant-yield principles (in certain cases involving a Series B Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the highest yield on such bond), the amortizable premium is treated as an offset to interest income; the U.S. Holder will make a corresponding adjustment to the U.S. Holder’s basis in the Series B Bond. Any such election is generally irrevocable and applies to all debt instruments of the U.S. Holder (other than tax-exempt bonds) held at the beginning of the first taxable year to which the election applies and to all such debt instruments thereafter acquired. Under certain circumstances, the U.S. Holder of a Series B Bond may realize a taxable gain upon disposition of the Series B Bond even though it is sold or redeemed for an amount less than or equal to the U.S. Holder’s original acquisition cost.

Disposition and Defeasance

Generally, upon the sale, exchange, redemption, or other disposition (which would include a legal defeasance) of a Series B Bond, a U.S. Holder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable to accrued interest not previously includable in income) and such U.S. Holder’s adjusted tax basis in the Series B Bond.

The Town may cause the deposit of moneys or securities in escrow in such amount and manner as to cause the Series B Bonds to be deemed to be no longer outstanding. For federal income tax purposes, such defeasance could result in a deemed exchange under Section 1001 of the Code and a recognition by such owner of taxable income or loss, without any corresponding receipt of moneys. In addition, the character and timing of receipt of payments on the Series B Bonds subsequent to any such defeasance could also be affected.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to non-corporate U.S. Holders of the Series B Bonds with respect to payments of principal, payments of interest, and the accrual of OID on a Series B Bond and the proceeds of the sale of a Series B Bond before maturity within the United States. Backup withholding may apply to U.S. Holders of Series B Bonds under Section 3406 of the Code. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner's United States federal income tax provided the required information is furnished to the Internal Revenue Service.

U.S. Holders

The term "U.S. Holder" means a beneficial owner of a Series B Bond that is: (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to United States federal income taxation regardless of its source or (iv) a trust whose administration is subject to the primary jurisdiction of a United States court and which has one or more United States fiduciaries who have the authority to control all substantial decisions of the trust.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Series B Bonds under state law and could affect the market price or marketability of the Series B Bonds.

Prospective purchasers of the Series B Bonds should consult their own tax advisors regarding the foregoing matters.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds and the Notes are subject to the respective approving legal opinions of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel. The respective forms of the opinions of Bond Counsel related to the Bonds and the Notes are attached hereto as "APPENDIX – E, F & G", respectively.

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THE TOWN OF NORTH HEMPSTEAD

General Information

The Town of North Hempstead is located on the northeastern boundary of The City of New York. It encompasses 53.58 square land miles of the northwestern section of Nassau County. It is bounded on the east by the Town of Oyster Bay, on the south by the Town of Hempstead, and on the west by the Borough of Queens of The City of New York. To the north, the Town is bordered by the Long Island Sound on which there are located numerous marinas and yacht clubs. Due to its close proximity to New York City, many Town residents commute by car, bus or train to Manhattan, where they are engaged in various professions.

The Town's five geographical areas are divided into thirty-one (31) incorporated villages and unincorporated communities. The Great Neck area consists of the incorporated villages of Kings Point, Great Neck, Saddle Rock, Kensington, Great Neck Estates, Great Neck Plaza, Thomaston, Russell Gardens, Lake Success and the unincorporated areas of Great Neck Gardens, Harbor Hills, Saddle Rock Estates and University Gardens. The Port Washington-Manhasset area is composed of the incorporated villages of Sands Point, Manorhaven, Port Washington North, Baxter Estates, Plandome, Plandome Manor, Plandome Heights, Flower Hill and Munsey Park, as well as the unincorporated areas of Port Washington and Manhasset. The Roslyn-Albertson area includes the incorporated villages of Roslyn, Roslyn Harbor, Roslyn Estates, East Hills, and North Hills as well as the unincorporated areas of Roslyn Heights, Greenvale, Albertson-Searingtown and Strathmore. The New Hyde Park-Mineola area is made up of the incorporated villages of Floral Park, Garden City (partially located in the Town), New Hyde Park, Mineola, Williston Park, East Williston and the unincorporated areas of Garden City Park – Herricks and North New Hyde Park while the Westbury area contains the incorporated villages of Westbury and Old Westbury and unincorporated areas of Carle Place and New Cassel.

Form of Government

The Town was established in 1784 as a separate political entity vested with independent taxing and debt issuance authority. The 31 incorporated villages located within the Town have independent forms of government, while the taxable real property within these villages is subject to taxation by the Town. There are also 13 independent school districts and four fire districts completely within the Town, which rely on their taxing powers granted by the State to raise revenues for school and fire district purposes, respectively.

Subject to the provisions of the State Constitution, the Town operates pursuant to the Town Law, General Municipal Law, the Local Finance Law, other laws generally applicable to the Town and any special laws applicable to the Town. Under such laws, there is no authority for the Town to have a charter, but pursuant to the Constitution, the Town Law, General Municipal 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, consisting of a Supervisor, who is elected for a two-year term, and six board members, who are elected for four-year terms. There is no limitation as to the number of terms that may be served by a board member, including the Supervisor. The Supervisor is the chief executive officer and chief fiscal officer of the Town. Jennifer S. DeSena was elected the 38th Supervisor of the Town at the general election held in November 2021 and won re-election in 2023 and 2025. The 2025 election provided a one-year term which commenced on January 1, 2026.

The Town Clerk serves as custodian of the Town's legal documents and papers, maintains the minutes of proceedings of the Town Board and is responsible for the publication and filing of all official notices. Pursuant to a local referendum, the Town Clerk is elected to serve a four-year term. The number of terms that the Town Clerk may serve is not limited.

The Receiver of Taxes, unless otherwise provided by law, has the duty to receive and collect all State, County, Town and school taxes and all assessments that may be levied in the Town. A four-year elected term is prescribed by law for the Receiver of Taxes and the number of terms that the Receiver of Taxes may serve is not limited.

The Town Board also appoints the Town Comptroller, the Director of Finance, the Director of Purchasing, the Town Attorney, and the Superintendent of Highways.

Transportation

The Town is served by all major forms of transportation. Principal roads include the Long Island Expressway, Northern State Parkway and Northern Boulevard. The Long Island Railroad operates rail service on three separate lines to and from New York City on trains making express and local stops throughout the Town. Major airlines provide service to Town residents via John F. Kennedy International, LaGuardia and Long Island-MacArthur Airports.

Educational, Cultural and Medical Institutions

Colleges and universities located near the Town include C.W. Post University (Long Island University), New York Institute of Technology and the State University of New York at Old Westbury. The United States Merchant Marine Academy at Kings Point is located in the Town. In addition, Adelphi University, Hofstra University, Molloy College and Nassau Community College are located in the Town of Hempstead just to the south of the Town. St. John's University is also located just to the west of the Town in the Borough of Queens in New York City.

There are numerous public libraries located throughout the Town which sponsor various programs of general interest to adults and children throughout the year. The NYCB Theatre at Westbury offers a program featuring well known musical groups and off-Broadway revivals. In addition, Town residents are within an hour's travel time to New York City's museums, theaters and other cultural activities.

Hospital services are provided by numerous area hospitals including Northwell Health System, St. Francis Hospital, Long Island Jewish Medical Center and Winthrop University Hospital.

Utilities

The Town receives water from a variety of public and private sources including the Water Authority of Western Nassau, Garden City Park Water District, Albertson Water District, Carle Place Water District, Water Authority of Great Neck North, Roslyn Water District, Manhasset-Lakeville Water District, Port Washington Water District and the Westbury Water District. Sewer service is provided by County sewage disposal districts and three Commissioner Operated Water Pollution Control Districts within the Town.

Services

The Town is responsible for providing most governmental services to its residents. Recreation is provided by public parks and recreational facilities maintained by the Town and special park districts located within the Town, while other recreational facilities are maintained by the County and the various incorporated villages. The construction and maintenance of Town highways is also a Town function; parking facilities are provided by Town public parking areas and public parking districts. Other services provided by the Town include planning, building inspection and zoning administration.

Certain services are provided through Town Operated Special Districts or Commissioner Operated Special Districts. Town Operated Special Districts are managed and operated by the Town Board. The Commissioners of Commissioner Operated Special Districts are elected to office and have complete responsibility for the management of the district and accountability for fiscal matters. Such special districts are accountable to the Town Board for budget approval. Such districts are not authorized to issue indebtedness; the Town issues bonds and/or notes, as needed, to finance certain capital projects in and for the districts.

The County provides police service in the unincorporated areas of the Town. Villages in the Town contract for police service with the County, except for Sands Point, Floral Park, Great Neck Estates, Old Westbury, Kensington, Kings Point and Lake Success, which maintain their own police departments for basic police service. The hamlet of Port Washington has its own special police district to provide law enforcement services. Education is the responsibility of the State and is provided by the independent school districts operating within the Town. Fire protection is provided by various fire districts and village fire departments.

Recent Development Activity

There are various ongoing projects for new construction, renovations and/or expansions of existing properties located within the Town. Below is a description of the status of some of the key projects:

Construction is near completion or was recently completed on the following projects:

- A new 162,750 sq. ft. medical office tenancy in Manhasset.
- A redeveloped 14,141 sq. ft. retail tenancy in Manhasset.
- A new 27,613 sq. ft. distribution and retail facility in Port Washington.
- A new 6,796 sq. ft. retail tenancy in New Hyde Park.
- A new 3,000 sq. ft. retail tenancy in Port Washington.
- A new 16,600 sq. ft. medical office tenancy in New Hyde Park.
- A new 2,950 sq. ft. retail tenancy in Manhasset.
- A new 6,106 sq. ft. retail tenancy in New Hyde Park.
- A new 19,410 sq. ft. retail tenancy in Manhasset.
- A new 3,105 sq. ft. medical office in Great Neck.
- A new 77,327 sq. ft. automotive showroom tenancy in Manhasset.

Construction has commenced on the following projects:

- A new 11,800 sq. ft. retail tenancy in Manhasset.
- A new 16,800 sq. ft. medical office tenancy in Great Neck.
- A new 32,035 sq. ft. fitness tenancy in Garden City Park.
- A renovation of 20,000 sq. ft. of medical tenancy in Manhasset.
- A new 10,944 sq. ft. indoor play facility in Carle Place.
- A new 71,000 sq. ft. wholesale tenancy in Westbury.
- A new 56,703 sq. ft. grocery store in Greenvale.
- A new 11,728 sq. ft. office facility in Greenvale.
- A new 10,015 sq. ft. automotive facility in New Hyde Park.
- A new 69,000 sq. ft. office tenancy in Carle Place.
- A new 10,117 sq. ft. indoor play facility in Carle Place.
- A new 53,150 sq. ft. indoor sports facility in New Hyde Park.

Zoning approvals have been recently granted for the following projects:

- 8,400-sf addition to an existing 20,915 sq. ft. warehouse/light industrial building in Port Washington
- Expansion of an existing 400-square-foot convenience store to 1,080 square feet, utilizing former repair bay space that will be closed, Albertson.
- Conversion of a 10,116 sq. ft. commercial space to an indoor playground in Carle Place.
- Conversion of a 13,978 sq. ft. commercial retail space to a day care in Manhasset.
- The conversion of a 4,571 sq. ft. space for conversion from a retail space to a medical office.
- Expansion of a 8,294 sq. ft. restaurant space to 14,283 sq. ft. in Manhasset.
- Conversion of a 3,357 sq. ft. commercial space to a restaurant in New Hyde Park.
- Expansion of a 8,294 sq. ft. restaurant space to 14,283 sq. ft. in Manhasset.
- Expansion of a 12,092 sq. ft. mixed use building to 13,268 sq. ft. in Port Washington.
- Conversion of a 1,320 sq. ft. commercial space to a take-out restaurant in New Hyde Park.

Zoning approvals are pending for the following projects:

- 5-story, 150-unit senior multiple residence with 5,000 sq. ft. of retail space in Roslyn Heights.
- Construction of a new 5,213 sq. ft. retail building in Manhasset. (Starbucks and additional retail space).
- A 7,375 expansion of an existing day care in Floral Park.
- Expansion of a 8,246 sq. ft. office building to 8,952 sq. ft.
- Expansion of a 5,102 sq. ft. restaurant to 5,568 sq. ft. in Carle Place
- Conversion of a 0.5-acre former gas station to 5000 sq. ft of restaurant and retail in Manhasset
- Redevelopment of a 12,627 sq. ft. gas station with a new 1,260 sq. ft. convenience store and 8-fueling locations in New Hyde Park.
- Conversion of 1,260 sq. ft. office space into an apartment in Port Washington.

Construction Activity

The table below presents the number of construction permits issued over the past five fiscal years.

<u>Year</u>	<u>Number of Permits Issued</u>
2021	5,275
2022	5,509
2023	4,821
2024	4,721
2025	4,866

Source: Town of North Hempstead Buildings Department.

Population Trends

	<u>Town of North Hempstead</u>	<u>Nassau County</u>	<u>New York State</u>
2000	221,372	1,334,544	18,976,457
2010	226,322	1,339,532	19,378,102
2020	237,639	1,395,774	20,201,249
2024 (estimated)	237,692	1,392,438	19,867,248

Source: U.S. Census Bureau, Population Estimates Program (PEP).

Selected Wealth and Income Indicators

Per capita income statistics are available for the Town, County and State. Listed below are select figures from the 2006-2010, 2016-2020 and 2020-2024 American Community Survey 5-Year Estimates.

	<u>Per Capita Income</u>			<u>Median Household Income</u>		
	<u>2006-2010</u>	<u>2016-2020</u>	<u>2020-2024</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2020-2024</u>
Town of:						
North Hempstead	\$ 51,663	\$ 66,055	\$ 64,198	\$ 100,760	\$ 154,724	\$ 185,222
County of:						
Nassau	41,387	53,363	56,516	93,613	139,459	169,137
State of:						
New York	23,461	40,898	50,712	55,603	87,720	106,873

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2020-2024 American Community Survey 5-Year Estimates data.

Note: U.S. Census Bureau, 2021-2025 American Community Survey 5-Year Estimates data is not available as of the date of this Official Statement.

Unemployment Rate Statistics

Unemployment statistics are available for the Town, the County and the State.

	<u>Annual Average</u>						
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Town of North Hempstead	3.1%	7.5%	4.2%	2.7%	2.8%	3.0%	N/A
Nassau County	3.4	8.3	4.7	3.0	3.1	3.3	N/A
New York State	3.9	9.8	7.1	4.3	4.1	4.3	N/A

	<u>2025-26 Monthly Figures</u>											
	<u>2025</u>											<u>2026</u>
	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>
Town of North Hempstead	3.4%	3.1%	2.4%	2.4%	2.7%	3.1%	3.4%	3.4%	N/A	3.1%	2.8%	N/A
Nassau County	3.8	3.3	2.6	2.7	2.9	3.5	3.7	3.6	N/A	3.3	3.1	N/A
New York State	4.3	4.1	3.7	3.5	3.8	4.6	4.7	4.7	N/A	4.5	4.4	N/A

Note: Unemployment rates for the months of October 2025, January 2026 and annual averages for 2025 are not available as of the date of this Official Statement.

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

Civilian Labor Force

The following tables provide information concerning employment and unemployment in the Town, County and State.

	<u>Annual Average Labor Force (Data in Thousands)</u>						
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Town of North Hempstead	117.2	114.7	114.6	116.4	118.1	117.5	N/A
Nassau County	703.0	691.0	687.1	696.8	705.9	702.2	N/A
New York State	9,862.8	9,569.5	9,540.7	9,620.7	9,773.4	9,834.6	N/A

Note: Annual averages for 2025 are not available as of the date of this Official Statement.

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

Major Employers

Residents of the Town may find employment with the below larger employers that are located within the Town, County and surrounding areas.

<u>Name</u>	<u>Type of Product or Service</u>	<u>Number of Employees</u>
North Shore University Hospital at Manhasset	Hospital	13,697
Winthrop-University Hospital	Hospital	8,706
St. Francis Hospital	Hospital	3,573
Northwell Health Home Care	Home Health Agency	1,001
Daniel Gale Sotheby's International Realty	Real Estate Brokers – Residential	950
Northwell Health Stern Family Center	Nursing Home	576
Laffey Real Estate	Real Estate Brokers – Residential	560
Coffee Distributing Corp	Office Supply Companies	390
Sunharbor Manor	Nursing Home	220
Sands Point Center for Health & Rehabilitation	Home Health Agency	197

Source: Book of Lists, 2021, Top 10 number of employees by company, Long Island Business News and the Town.

Employees

As of the payroll for January 23, 2026, the Town of North Hempstead employed 430 full-time workers. Additionally, the Town employed 248 part-time/seasonal employees, with most serving in various capacities in its Department of Parks and Recreation. Approximately 83% of the full-time employees are represented as follows:

<u>Number of Employees</u>	<u>Union</u>	<u>Contract Expiration Date</u>
356	Civil Service Employees Association (“CSEA”)	12/31/2026

Source: Town Comptroller’s Office.

Employee Pension Benefits

Substantially all employees of the Town are members of the New York State and Local Employees’ Retirement System (the “Retirement System” or “ERS”). The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement and Social Security Law (the “Retirement System Law”). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in the Retirement System are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is noncontributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 through and including December 31, 2009, must contribute three percent of their gross annual salary toward the costs of retirement programs until they attain ten years in the Retirement System, at such time contributions become voluntary. Members hired after January 1, 2010 must contribute three percent or more of their gross annual salary toward the costs of retirement programs for the duration of their employment.

The employer contribution for a given fiscal year is based on the value of the pension fund on the prior April 1. The law 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 is February 1.

The “Tier 6” pension program, effective for ERS employees hired after April 1, 2012, provides, among other things, for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier. The time period for final average salary calculation is 3 years. Tier 6 employees will vest in the system after five years of employment and will continue to make employee pension contributions throughout employment.

The New York State Retirement System has advised the Town that municipalities can elect to make employer contribution payments in 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 generally elects to prepay its annual contributions. The Town has prepaid its 2026 ERS contribution in December 2025 and saved \$45,024. The Town also intends to prepay the 2027 contribution in December of 2026.

The employer contribution rate for the State’s Retirement System continues to be higher than the minimum contribution rate established by law. Contribution rates are expected to remain higher than the minimum contribution rates set by law in the near-term. To mitigate the expected increases in the employer contribution rate, legislation has been enacted from time to time to authorize local governments and school districts to borrow a portion of their required payments from the State pension plan. The legislation also requires those local governments and school districts, which decide to amortize their pension to establish reserve accounts to fund payment increases that are a result of fluctuations in pension plan performance.

The Town elected to amortize a portion of its required ERS pension contribution payment invoiced in each of the years 2010 through and including 2016. As of the fiscal year ended 2023, all remaining amortized payments have been paid in full. The Town has not elected to amortize its ERS contributions since the 2017 fiscal year.

The Town's contributions to ERS for the past five years and the budgeted amount for the 2026 fiscal year are as follows:

<u>Year</u>	<u>ERS</u>
2021	\$ 6,007,979
2022	5,588,910
2023	4,771,862
2024	4,932,942
2025	6,020,962
2026 (Budgeted)	6,836,480

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. In February 2025, the Town Board adopted an employee retirement incentive program. The Town's 2025 budget included \$1.5 million from the Town's reserves to pay for this incentive program. Employees who were eligible for the program had to declare their intent to participate by March 15, 2025. 23 employees participated in the program.

Other Post-Employment Benefits

The Town implemented GASB Statement No. 75 ("GASB 75") of the Governmental Accounting Standards Board ("GASB"), which replaces GASB Statement No. 45 as of fiscal year ended December 31, 2018. GASB 75 requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and other non-pension benefits, known as other post-employment benefits ("OPEB"). GASB 75 generally requires that employers account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB similarly to GASB Statement No. 68 reporting requirements for pensions.

GASB 75 requires state and local governments to measure a defined benefit OPEB plan as the portion of the present value of projected benefit payments to be provided to current active and inactive employees, attributable to past periods of service in order to calculate the total OPEB liability. Total OPEB liability generally is required to be determined through an actuarial valuation using a measurement date that is no earlier than the end of the employer's prior fiscal year and no later than the end of the employer's current fiscal year.

GASB 75 requires that most changes in the OPEB liability be included in OPEB expense in the period of the changes. Based on the results of an actuarial valuation, certain changes in the OPEB liability are required to be included in OPEB expense over current and future years.

Summary of Actuarial Valuations

The following outlines the changes to the Total Net OPEB Liability for the fiscal years ending December 31, 2022, 2023 and 2024:

Total OPEB Liability for Town:

	<u>2022</u>	<u>2023</u>	<u>2024</u>
Beginning balance at January 1:	\$ 246,961,500	\$ 132,604,181	\$ 140,926,047
Changes in Net OPEB Liability:			
Service cost	7,607,009	4,316,570	6,299,970
Interest	4,397,928	5,199,531	5,238,337
Differences between expected and actual experience	(43,939,881)	-	12,070,955
Changes in assumptions or other inputs	(77,158,076)	4,037,578	-
Changes in discount rate	-	-	(11,288,236)
Changes of benefit terms	-	-	3,937,699
Benefit payments	(5,264,299)	(5,231,813)	(6,150,141)
Net Changes	\$ (114,357,319)	\$ 8,321,866	\$ 10,108,584
Balance ending at December 31:	<u>2022</u>	<u>2023</u>	<u>2024</u>
	<u>\$132,604,181</u>	<u>\$140,926,047</u>	<u>\$ 151,034,631</u>

Source: Town Comptroller's Office. Table itself is not audited.

The Town's total OPEB liability as of December 31, 2024 was determined using discount rate of 4.3% and based on other actuarial assumptions and inputs.

The Town's Analysis of OPEB in Accordance with GASB 75 Actuarial Report for the fiscal year ended December 31, 2025 is not available as of the date of this Official Statement.

Should the Town be required to fund the total 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 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 will continue funding this expenditure on a pay-as-you-go basis.

Legislation has been introduced from time to time to create an optional investment pool to help the State and local governments fund retiree health insurance and OPEB. Such legislation would generally 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. In addition, there would be no limits on how much a local government can deposit into the trust. The Town cannot predict whether such legislation will be enacted into law in the foreseeable future.

Other Information

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

The Town is in compliance with the procedure for the validation of the Bonds and Notes provided in Title 6 of Article 2 of the Local Finance Law.

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

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

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

FINANCIAL FACTORS

Budgetary Procedures

The Supervisor is the Town's budget officer and chief fiscal officer and is required by law to file a tentative budget with the Town Clerk on or before September 30 of each year. The tentative budget is submitted to the Town Board not later than October 5 of the same year, and following review and modification, a preliminary budget hearing is held. At this hearing, members of the public may express opinions which the Town Board may take under advisement. Approval of the budget is not subject to a vote of the electorate and the Town Board may make changes following the hearing process. The preliminary budget as submitted or amended shall be adopted by resolution of the Town Board no later than November 20. The preliminary budget as adopted shall be known as the annual budget for the Town for the fiscal year beginning on the first day of January next succeeding, and it shall be entered in the minutes. In the event that the Town Board shall fail to adopt a budget as of November 20, the preliminary budget, with such changes, alterations and revisions, if any, as shall have been made by the Town Board, shall constitute the budget for the ensuing fiscal year. The Town Board levies and causes to be raised the amount of taxes and assessments specified in the budget. From time to time, the Town Board may make changes or modifications in the amount of annual appropriations, subject to applicable legal restrictions. On a monthly basis, the Town's Finance Department distributes to each Town department budgeted-to-actual performance reports. This enables each department to adjust its activities on an ongoing basis to stay within its budget.

The Tax Levy Limit Law imposes a limitation on increases in the real property tax levy of the Town, subject to certain exceptions outlined in the law. All tax levies for budgets of the Town adopted in accordance with the procedures discussed herein must comply with the requirements of the Tax Levy Limit Law. (See "*TAX LEVY LIMIT LAW*" herein).

On October 28, 2025 the Town Board adopted its 2026 operating budget. The levy increase did not exceed the allowable tax levy cap. The Town did not override the allowable tax levy cap for any budgets adopted for fiscal years 2014 through 2025, inclusive. (See “*TAX LEVY LIMIT LAW*” herein).

Independent Audits

The Town has retained the firm of PKF O’Connor Davies, LLP, to independently audit its financial statements. The last completed audited Annual Comprehensive Financial Report (“ACFR”) was for the fiscal year ending December 31, 2024. The 2024 ACFR has been filed with the Electronic Municipal Market Access Website (“EMMA”).

The Town’s Annual Financial Report (“AFR”) for fiscal year ending December 31, 2025, which is not prepared in accordance with GAAP and is not audited, is not complete as of the date of this Official Statement. The Town’s audited ACFR for the fiscal year ended December 31, 2025 is not complete as of the date of this Official Statement. The Town’s 2025 unaudited AFR and audited ACFR will be filed to the Electronic Municipal Market Access Website (“EMMA”) when available.

The “*APPENDIX – A*” to this Official Statement includes summaries of the Town’s most recent audit reports covering the fiscal years ended December 31, 2020 through 2024 for the General Fund, Special Revenue Funds, which include funds for Town Operated Special Districts, and Component Units consisting of certain Commissioner Operated Special Districts.

Certificate of Achievement for Excellence in Financial Reporting

Every year from 2010 through 2021, and again in 2023, the Town has been awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for their annual financial statements.

The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (ACFR Program) in 1945, to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles, to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure. GFOA then recognizes individual governments that succeed in achieving that goal. Reports submitted to the ACFR program are reviewed by selected members of the GFOA professional staff and the GFOA Special Review Committee (SRC), which is comprised of individuals with expertise in public-sector financial reporting and includes financial statement preparers, independent auditors, academics, and other finance professionals.

Recent and Current Operations

See also “*Town of North Hempstead Solid Waste Management Authority*” herein.

General Fund

For the fiscal year ended December 31, 2020, based on audited figures, the Town’s General Fund revenues and other sources were \$65,705,590 and General Fund expenditures and other uses were \$64,927,748. The General Fund recognized an operating surplus of \$777,842 resulting in a cumulative General Fund balance of \$18,083,269 as of December 31, 2020.

For the fiscal year ended December 31, 2021, based on audited figures, the Town’s General Fund revenues and other sources were \$78,892,255 and General Fund expenditures and other uses were \$70,888,051. The General Fund recognized an operating surplus of \$8,004,204 resulting in a cumulative General Fund balance of \$26,087,473 as of December 31, 2021.

For the fiscal year ended December 31, 2022, based on audited figures, the Town’s General Fund revenues and other sources were \$97,176,868 and General Fund expenditures and other uses were \$87,744,551. The General Fund recognized an operating surplus of \$9,432,317 resulting in a cumulative General Fund balance of \$35,519,790 as of December 31, 2022.

For the fiscal year ended December 31, 2023, based on audited figures, the Town’s General Fund revenues and other sources were \$94,723,073 and General Fund expenditures and other uses were \$89,631,444. The General Fund recognized an operating surplus of \$5,091,629 resulting in a cumulative General Fund balance of \$40,611,419 as of December 31, 2023.

For the fiscal year ended December 31, 2024, based on unaudited figures, the Town’s General Fund revenues and other sources were \$94,084,285 and General Fund expenditures and other uses were \$96,759,433. The General Fund recognized an operating deficit of \$2,675,148 resulting in a cumulative General Fund balance of \$37,936,271 as of December 31, 2024.

The Adopted Budget for the 2025 fiscal year includes a tax levy decrease. The budgeted revenues and expenditures for fiscal year 2025 are \$91,257,043.

The Adopted Budget for the 2026 fiscal included no change from the prior year tax levy. The budgeted revenues and expenditures for fiscal year 2025 are \$92,592,908.

Town Outside Village Fund

In 2006, legislation was enacted by the New York State legislature and signed into law, permitting the merger of the Part-Town and Highway Funds of the Town to be known as the Town Outside Village (“TOV”) Fund.

For the fiscal year ended December 31, 2020, based on audited figures, the Town’s TOV fund revenues and other sources were \$37,912,014 and TOV expenditures and other uses were \$35,188,954. The TOV fund recognized an operating surplus of \$2,723,060, resulting in a cumulative fund balance of \$22,785,512 as of December 31, 2020.

For the fiscal year ended December 31, 2021, based on audited figures, the Town’s TOV fund revenues and other sources were \$38,466,378 and TOV expenditures and other uses were \$38,234,831. The TOV fund recognized an operating surplus of \$231,547, resulting in a cumulative fund balance of \$23,017,058 as of December 31, 2021.

For the fiscal year ended December 31, 2022, based on audited figures, the Town’s TOV fund revenues and other sources were \$40,408,809 and TOV expenditures and other uses were \$41,007,454. The TOV fund recognized an operating deficit of \$598,645, resulting in a cumulative fund balance of \$22,418,413 as of December 31, 2022.

For the fiscal year ended December 31, 2023, based on audited figures, the Town’s TOV fund revenues and other sources were \$39,756,119 and TOV expenditures and other uses were \$39,831,027. The TOV fund recognized an operating deficit of \$74,908, resulting in a cumulative fund balance of \$22,343,507 as of December 31, 2023.

For the fiscal year ended December 31, 2024, based on unaudited figures, the Town’s TOV fund revenues and other sources were \$37,873,542 and TOV expenditures and other uses were \$42,906,129. The TOV fund recognized an operating deficit of \$5,032,587, resulting in a cumulative fund balance of \$17,310,920 as of December 31, 2024.

The Adopted Budget for the 2025 fiscal year includes a tax levy decrease. The budgeted revenues and expenditures for 2025 are \$44,798,378.

The Adopted Budget for the 2026 fiscal included no change from the prior year tax levy. The budgeted revenues and expenditures for 2025 are \$45,436,641.

Property Taxes

The Town derives a major portion of its revenues from tax on real property (see “*Statement of Revenues, Expenditures and Changes in Fund Balance*” in “*APPENDIX-B*” herein.) (See also “*TAX LEVY LIMIT LAW*” herein).

The following table sets forth total General Fund revenues and Real Property Taxes received during the 2020-2024 fiscal years and amount budgeted for the 2025 and 2026 fiscal years.

General Fund Revenues & Real Property Taxes

<u>Fiscal Year</u>	Total <u>Revenues</u> ⁽¹⁾	Real Property <u>Taxes</u>	Percentage Real Property Taxes <u>to Total Revenues</u>
2020	\$ 63,817,209	\$ 25,317,582	39.7%
2021	75,829,404	26,087,299	34.4
2022	95,245,484	26,844,647	28.2
2023	93,512,349	25,520,225	27.3
2024	91,062,937	22,950,414	25.2
2025 (Budgeted)	91,257,043	20,224,794	22.2
2026 (Budgeted)	92,592,908	20,224,794	21.8

⁽¹⁾ General Fund, Townwide. Does not include interfund transfers.

⁽²⁾ Unaudited. Final audited results may vary therefrom.

Note: General Fund revenues as of fiscal year 2022 include the Division of Solid Waste Management as the Authority was dissolved at year-end 2021. See “*Town of North Hempstead Solid Waste Management Authority*” herein.

Source: Audited financial statements for the fiscal years ended 2020 through 2024 and the 2025 and 2026 adopted budget of the Town. Table itself is not audited.

State Aid

The Town receives financial assistance from the State. 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 "Impacts of COVID-19" 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, the general condition of the global and national economies and other circumstances. The amount of State aid to municipalities, including the Town, and school districts in the State is dependent in part upon the financial condition of the State. Due to the outbreak of COVID-19, the Governor initially declared a state of emergency and took steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses for an extended period. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to continue to negatively impact the State's economy and financial condition. The use of federal stimulus funds has allowed the State to avoid gap closing measurements.

Reductions in federal funding levels could have a materially adverse impact on the State budget. In addition to the potential fiscal impact of policies that may be proposed and adopted by the federal administration and Congress, the State budget may be adversely affected by other actions taken by the federal government, including audits, disallowances, and changes to federal participation rates or other Medicaid rules.

The State may be required to implement gap closing measurements in the future. Such actions may include, but are not limited to: reductions in State agency operations and/or delays or reductions in payments to local governments in the State. If this were to occur, reductions in the payment of State aid could adversely affect the financial condition of local governments in the State, including the Town.

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, the Town is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

The following table sets forth total General Fund revenues, State aid and Mortgage tax received in fiscal years 2020 through 2024 along with the amounts budgeted for these revenues in the 2025 and 2026 fiscal years.

<u>General Fund Revenue, State Aid and Mortgage Tax</u>					
<u>Fiscal Year</u>	<u>Total Revenues ⁽¹⁾</u>	<u>State Aid ⁽²⁾</u>	<u>Mortgage Tax</u>	<u>Total State Aid & Mortgage Tax ⁽²⁾</u>	<u>Percentage of Total Revenues Consisting of State Aid & Mortgage Tax</u>
2020	\$ 63,817,209	\$ 1,225,761	\$ 9,522,797	\$ 10,748,558	16.8%
2021	75,829,404	1,151,905	13,224,118	14,376,023	19.0
2022	95,245,484	1,051,937	11,670,076	12,722,013	13.4
2023	93,512,349	1,312,336	6,118,743	7,431,079	7.9
2024	91,062,937	1,271,280	6,570,300	7,841,580	8.6
2025 (Budgeted)	88,489,224	1,251,117	7,500,000	8,751,117	9.9
2026 (Budgeted)	91,257,043	1,157,368	7,500,000	8,657,368	9.5

(1) General Fund, Townwide. Does not include interfund transfers.

(2) Includes AIM aid where applicable. Excludes Local aid components (primarily mortgage tax revenues) which are reflected as Non-Property Tax Items in the Town's audited financial statements.

(3) Unaudited. Final audited results may vary therefrom.

Note: General Fund revenues as of fiscal year 2022 include the Division of Solid Waste Management as the Authority was dissolved at year-end 2021. See "Town of North Hempstead Solid Waste Management Authority" herein.

Source: Audited financial statements for the fiscal years ended 2020 through 2024, and the 2025 and 2026 adopted budgets of the Town. Table itself is not audited.

Impacts of COVID-19

Initially, large revenue sources including but not limited to building permit fees, road opening permits, parking permit fees, court fees, Parks and Recreation user fees and sales tax receipts were greatly impacted by the COVID-19 pandemic, which originated in 2020. Additionally, unbudgeted expenses for PPE and building modifications to directly address social distancing impacted the Town's finances. The Town was able to end the 2020 fiscal year in a surplus due to conservative spending, mortgage tax outperforming its budgeted allocation and reducing expenses where needed to mitigate these factors. The Town continues to manage its finances conservatively and is seeking all available grant resources to help alleviate the issues brought upon by the pandemic.

The Town was notified on July 1, 2021 by the NYS Division of the Budget that the Town would be eligible for \$10,072,896 in ARPA payments from the Coronavirus Local Fiscal Recovery Fund. The Town received the first half of this payment in July 2021. In addition, the Town was notified on August 23, 2021, that an additional \$41,125 allocation has been given to the Town. The first half of this additional payment was received by the Town on August 30, 2021. The second payment was received by the Town on July 19, 2022.

The Town Board made the following funds transfers from ARPA grant funding received:

- Fiscal Year 2022:
 - \$609,365 to offset revenue loss in 2020 as a result of the COVID-19 Pandemic for Port Washington Public Parking District (this is a Town operated special district, and there was no impact on General or Town Outside Village (TOV) Funds).
 - \$445,919 to offset revenue loss in 2021 as a result of the COVID-19 Pandemic for the Port Washington Public Parking District (this is a Town operated special district, with no impact on General or TOV Funds).
 - \$2,000,000 in funding for a capital project for the rehabilitation of the sidewalks on Westbury Avenue in Carle Place (with no budgetary impact on the General or TOV Funds).
- Fiscal Year 2023:
 - \$3,094,993 in funding for a capital project for the installation of sewers along Plandome Road in Manhasset (no budget impact on the General or TOV Funds).
 - \$3,849,723 in funding for a capital project for dredging in the Manhasset Bay area (no budget impact on the General or TOV Funds).
- Fiscal Year 2024: A portion of the fiscal year 2023 allocations were amended via a resolution towards the end of 2024. The \$3,849,723 allocation for dredging in Manhasset Bay was replaced by the following projects:
 - \$750,000 to the Town's Department of Public Works for \$750,000 for the construction and maintenance of a 911 Memorial located at Manhasset Valley Park, 461 Maple Street, Manhasset, NY 11030.
 - \$1,329,723 to the Town's Department of Highways for the repaving and repair of Plandome Road, located in Manhasset, NY following the installation of sewer connections from adjoining properties located along Plandome Road.
 - \$450,000 to the Nassau County Council of Chambers of Commerce to disperse \$50,000 grants to the nine (9) qualifying Chambers of Commerce that operate within jurisdictional boundaries of the Town; and
 - \$315,000 for the installation of a sewer connection for Town Halls One and Two pursuant to an agreement with the Great Neck Water Pollution Control District.
 - \$1,005,000 for the resurfacing of multiple fields located within the jurisdictional borders of the Town.

The Town continues to see delays in certain equipment and vehicles being delivered due to supply chain issues that started at the beginning of the pandemic.

Nassau County Comptroller Audits of the Town

On February 24, 2024, the Office of Nassau County Comptroller released a report of the Town, initiated by a request from Town Supervisor Jennifer DeSena, which focused on the Town's building permitting process during the period of January 1, 2020 to December 31, 2023, to determine if the Town is meeting the needs of its constituents.

The full audit report can be obtained from the Field Audit section of Nassau County's website.

Note: Reference to website implies no warranty of accuracy of information therein, nor incorporation thereon.

New York State Comptroller Reports of Examination

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

On May 21, 2021, OSC released an audit report as part of a larger State-wide review of 20 adopted budgets of various counties, cities, towns and villages across the State, which included the Town, to assess whether local officials adequately considered the impact of the pandemic on their financial operations while developing their 2021 fiscal year budgets. The purpose of the audit was to provide an independent evaluation of the Town’s adopted budget for the 2021 fiscal year. The Town was also one of eight municipalities audited for a Statewide report entitled Long Island Workforce Housing Act for the audit year 2016. Complete reports can be obtained from OSC’s website. Copies of the above-referenced reports can be obtained via the website of the Office of the New York State Comptroller.

There are no State Comptroller’s audits currently in progress or pending release at this time.

Note: Reference to website implies no warranty of accuracy of information therein, nor incorporation thereon.

The State Comptroller’s Fiscal Stress Monitoring System

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

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

The fiscal stress scores assigned by the State Comptroller for the 2020 through 2024 fiscal years for the Town are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2024	No Designation	0.0
2023	No Designation	0.0
2022	No Designation	0.0
2021	No Designation	1.7
2020	No Designation	1.7

Note: The Town’s Fiscal Stress Score for the fiscal year ended December 31, 2025 has not been calculated as of the date of this Official Statement.

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of accuracy of information therein, nor incorporation herein.

Town of North Hempstead Solid Waste Management Authority

In 1984, the Town of North Hempstead Solid Waste Management Authority (the “Authority”) was created pursuant to the Public Authorities Law of the State of New York to assist the Town in managing its waste disposal needs. Pursuant to the Landfill Concession and Solid Waste Service Agreement (the “Service Agreement”) between the Town and the Authority, the Town agreed to provide financial support to the Authority to fund operations and debt service payments of the Authority when Authority revenues were insufficient to cover such items. The terms of the financial support provided to the Authority by the Town was governed by the Service Agreement.

Pursuant to the Service Agreement financial support was provided to the Authority by the Town and was used by the Authority to pay debt service on its outstanding bonds. Financial support provided by the Town to the Authority was also used for post closure activities associated with the Port Washington landfills and debt service for capital projects financed by the Town on behalf of the Authority.

For the fiscal year ended December 31, 2018, based on audited figures, the Authority’s revenues and other sources were \$16,814,302 and expenditures and other uses were \$17,612,573 which resulted in an operating deficit of \$798,271. The decrease of \$798,271 in fund balance was related to a final debt payment made in February 2018 of \$900,786 that was paid via a release of restricted fund balance of the same amount. The Authority recognized a cumulative Fund Balance of \$776,568 as of December 31, 2018. The Town provided \$750,000 in financial support to the Authority in the fiscal year ended December 31, 2018 related to post-closure activities associated with the Port Washington landfills.

For the fiscal year ended December 31, 2019, based on audited figures, the Authority’s revenues and other sources were \$16,715,592 and expenditures and other uses were \$16,867,833 which resulted in an operating deficit of \$152,241. The Authority had a cumulative Fund Balance of \$624,327 as of December 31, 2019.

For the fiscal year ended December 31, 2020, based on audited figures, the Authority’s revenues and other sources were \$16,319,896 and expenditures and other uses were \$16,216,501 which resulted in an operating surplus of \$103,395. The Authority had a cumulative Fund Balance of \$727,722 as of December 31, 2020.

For the fiscal year ended December 31, 2021, based on audited figures, the Authority’s revenues and other sources were \$19,085,175 and expenditures and other uses were \$19,812,897 which resulted in an operating deficit of \$727,722. The Authority had a cumulative Fund Balance of \$0 as of December 31, 2021.

In 2021, the Town took steps to dissolve the Authority (as an entity) and as of January 1, 2022 the Authority was dissolved and transferred all contracts, permits, employees, duties, rights and responsibilities to the Town. The Port Washington Landfills, the Transfer Station and all other Authority responsibilities as of January 1, 2022 are directly handled by the Town of North Hempstead Department of Solid Waste Management, an already-existing department. Solid waste functions are now reflected as a department in the Town’s General Fund.

The Town and the Authority dissolved the Authority for a number of financial and practical reasons. The Town is currently the owner of all the facilities operated by the Authority, with the Authority now acting as the Town’s contractor in operating these facilities. The permits issued by DEC to the Authority and the Town are all in the name of the Town. The DEC agreement for the operation of the L-5 landfill is between the Town and the DEC. In addition, the Consent Order issued with regard to the closure of the Town’s L-4 landfill names the Town as the responsible party. As a practical matter, there has been no change in personnel or any of the duties performed, and since the Authority is already closely related to the Town, the CAC, DEC and EPA has not seen any significant change in procedure between the Town and the Authority. Cost savings from the dissolution include but are not limited to eliminating the cost of a separate audit for the Authority, eliminating the need for separate public meetings for the Authority saving staff hours throughout the year and accounting work hours in dealing with different vendor identifications and procurement review previously different from the rest of the Town.

See also “Solid Waste Management System” and “Solid Waste Collection and Transfer Station Operations” herein.

Solid Waste Management System

In 1984, the Authority was created pursuant to the Public Authorities Law of the State of New York to assist the Town in managing its waste disposal needs. In 1988, the Town entered into a Service Agreement with the Authority. Pursuant to the Service Agreement, the Town transferred its operation and control over certain fields in the Town’s Port Washington landfill (the “Landfill Site”) to the Authority. The Town retained ownership of the Landfill Site and responsibility for pre-existing conditions at the Landfill Site. In addition, the Authority established a fee schedule for the use of its disposal facilities.

In 1986, the Town adopted an ordinance (the “Flow Control Ordinance”) requiring that all acceptable waste generated in the Town be delivered to Town designated facilities. The purpose of the Flow Control Ordinance was to provide a guaranteed stream of waste to the Authority in order to assure a revenue source to the Authority.

The 1994 decision of the *U.S. Supreme Court, C&A Carbone v. Town of Clarkstown*, which declared flow control an unconstitutional restraint on commerce and limited the Authority’s control of the Town waste flow, was overturned in April 2007 by another U.S. Supreme Court decision, *United Haulers v. Oneida-Herkimer Solid Waste Management Authority*. The Town and the Authority reinstituted flow control as a result of the Oneida-Herkimer decision. The Town Board re-adopted a flow control ordinance in accordance with the Oneida-Herkimer decision in early 2009.

The Authority generated the vast majority of its revenues from tip fees collected on the acceptance of solid waste at the Town’s transfer station. The Town was obligated to provide financial support to the Authority if its revenues were insufficient to meet costs. The restoration of flow control produced increased revenues for the Authority, but not sufficient to eliminate the need for Town subsidies, due to a decrease in tonnage processed.

The below table outlines the subsidies related to post-closure activities provided to the Authority for 2018 through 2021:

<u>Year</u>	<u>Subsidy Payments</u>
2018	\$ 750,000
2019	931,567
2020	931,567
2021	1,513,922

In addition, the Town paid debt service on the Authority’s outstanding bonds while such debt obligations were outstanding. The Town also paid debt service for capital projects financed by the Town on behalf of the Authority. (See also “*Port Washington Landfills –Post Closure Activities*” herein).

Effective January 1, 2022, the Town dissolved the Authority and the Solid Waste Management Division is now part of General Fund operations. The Flow Control Ordinance remains in effect.

Solid Waste Collection and Transfer Station Operations

The Town is made up of 31 incorporated villages and 16 unincorporated areas. The Town does not have a uniform system of solid waste collection. Two villages, along with all of the unincorporated areas, are organized into ten solid waste districts which contract with private carters for the collection and disposition of solid waste. Private carters also contract directly with 24 villages for solid waste collection. Six villages operate their own sanitation departments. Most commercial and industrial waste generated in the Town is collected and disposed of by private carters or by solid waste generators. Each carter is required to post a surety bond with the Town in an amount equal to 2 ½ months of its average tip fee. Less than ½ of 1% of all the carters defaulted on their obligation to pay tipping fees. All private and municipal carters that collect solid waste in the Town and generators of solid waste are licensed pursuant to the Town's Sanitation Code.

The incorporated villages and the Solid Waste districts of the Town charge property owners for solid waste collection and disposal services based upon real property assessed valuation. In calculating the respective ad valorem property tax rates, the Town and incorporated villages include the cost of solid waste collection and disposal as part of their tax rate. The funds necessary to provide for the collection and disposal of solid waste are collected along with all other ad valorem taxes imposed by the Town and the incorporated villages.

On November 18, 2024, the Town Board voted to extend its agreement with Omni Recycling (“Omni”) for the period of May 1, 2025 through April 30, 2030. Pursuant to the terms of the agreement, Omni operates the transfer station on behalf of the Town. Omni takes in the waste and utilizes trucks to remove the waste from the site. Transportation and disposal services are handled by Covanta Sustainable Solutions. Covanta’s contract expired December 31, 2025. On September 9, 2025, the Town Board authorized an amendment to the agreement with Covanta to exercise the first of the two available five year extensions which extended the term of the agreement commencing January 1, 2026 through December 31, 2030.

The Town and the Authority have entered into inter-municipal agreements with 24 of the Town's 31 incorporated villages regarding waste disposal. In addition, the Town-run Solid Waste districts were contractually obligated to dispose of collected waste at the Town-owned and Authority-operated facilities.

In 2021, the Town took steps to dissolve the Authority (as an entity) and as of January 1, 2022 the Authority was dissolved and transferred all contracts, permits, employees, duties, rights and responsibilities to the Town. The Port Washington Landfills, the Transfer Station and all other Authority responsibilities as of January 1, 2022 are directly handled by the Town of North Hempstead Department of Solid Waste Management, an already-existing department. Solid waste functions are now reflected as a department in the Town's General Fund.

The Town and the Authority dissolved the Authority for a number of financial and practical reasons. The Town is currently the owner of all the facilities operated by the Authority, with the Authority now acting as the Town's contractor in operating these facilities. The permits issued by the New York State Department of Environmental Conservation ("DEC") to the Authority and the Town are all in the name of the Town. The DEC agreement for the operation of the L-5 landfill is between the Town and the DEC. In addition, the Consent Order issued with regard to the closure of the Town's L-4 landfill names the Town as the responsible party. As a practical matter, there has been no change in personnel or any of the duties performed, and since the Authority is already closely related to the Town, the Conservation Advisory Council, the DEC and the U.S. Environmental Protection Agency has not seen any significant change in procedure between the Town and the Authority.

Port Washington Landfills – Post Closure Activities

The Town owns two landfills on a single site totaling more than 45 acres in Port Washington, commonly referred to as the "L4" and "L5" landfills, respectively. The L4 landfill stopped receiving waste in 1983. L4 was capped and remediated pursuant to a consent decree with the United States Environmental Protection Agency executed on July 5, 1990. The L5 landfill ceased accepting solid waste in 1991. It continued to accept "clean fill" through 2002 for use as contour material to bring the landfill site to acceptable grade. All of the site's 45 acres have been capped pursuant to a New York State Department of Environmental Conservation Order on Consent. The Town is responsible for post-closure monitoring and maintenance at the landfills including the operation of the leachate collection system, groundwater treatment and gas collection/combustion system. Post-closure monitoring and maintenance is anticipated to be required through 2034.

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; (4) with the approval of the 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, or (5) 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.

TAX INFORMATION

The following table sets forth the assessed and full valuation of taxable real property, rates of tax per \$1,000 assessed valuation and the Town's real property tax levy per tax year.

Valuations and Tax Data

Fiscal Years Ending December 31:	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Assessed Valuation	\$ 101,454,832	\$ 110,277,574	\$ 116,503,951	\$ 120,409,775	\$ 120,570,024
New York State Equalization Rate ⁽¹⁾	0.18%	0.15%	0.15%	0.14%	0.13%
Full Valuation	\$56,363,795,556	\$73,518,382,667	\$77,669,300,667	\$86,006,982,143	\$92,746,172,308

⁽¹⁾ Equalization rates are established by the New York State Board of Real Property Services.

Source: Town of North Hempstead, Town Receiver of Taxes Office and the New York State Board of Real Property Services.

Tax Rate Per \$1,000 (Assessed)

Fiscal Years Ending December 31:	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
General Fund	\$ 264.24	\$ 230.95	\$ 196.74	\$ 167.97	\$ 167.74

Source: Town of North Hempstead, Town Receiver of Taxes Office.

Tax Levy

Fiscal Years Ending December 31:	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Town: General Fund	\$ 26,808,627	\$ 25,468,196	\$ 22,921,376	\$ 20,224,794	\$ 20,224,794
TOV	27,970,865	27,970,865	25,173,778	22,673,778	22,673,778
Special Districts	129,985,757	134,431,739	136,827,283	143,163,657	146,469,903

Source: Town of North Hempstead, Office of the Comptroller.

Tax Collection Procedures

The Town Receiver of Taxes bills and collects real property taxes for the County, the Town, which includes taxes for Town-wide, Part Town and Highway purposes, as well as Town and Commissioner-run Special Districts and school districts located within the Town. Town and County taxes are levied on January 1 and are due in two installments on January 1 and July 1, payable without penalty until February 10 and August 10, respectively. Payments made subsequent to these dates are assessed a penalty at a rate of 1% per month. The Town retains 100% of the amount levied for Town, Part Town and Special District purposes from all of the real property taxes collected by the Town on behalf of the County; taxes uncollected at the expiration of the tax warrant are reported to the County for collection and enforcement. School district taxes are levied on October 1 and are due in two installments on October 1 and April 1, payable without penalty to November 10 and May 10, respectively. The County is also responsible for uncollected school taxes and all tax certiorari refund payments, including any portion of the refund attributable to the reduction in the amount of taxes raised to support Town operations.

As a result of the COVID-19 pandemic, the Governor issued an Executive Order in August 2020 which authorized the County to postpone the tax warrant process by a month. This action gave taxpayers until December 10 (instead of November 10) to pay their property taxes without penalty. As a result, there was a delay in the receipt of certain taxes collected and paid to local governments and school districts in the County. No assurance can be given that similar extensions with respect to the deadlines to pay property taxes, without interest or penalty, may occur in the future. Any such extensions may result in a delay in the receipt of taxes collected and paid to municipalities (such as the Town) and school districts.

The following table reflects real property tax levies and collections of the Town for the 2019-2024 fiscal years.

Real Property Tax Levies and Collection

<u>Fiscal Year</u>	<u>Gross Tax Levy</u> ⁽¹⁾	<u>Taxes Collected</u>	<u>Percentage Current Taxes Collected</u> ⁽²⁾
2020	\$424,472,260	\$417,193,306	98.3%
2021	429,566,278	422,399,608	98.3
2022	415,941,603	409,165,125	98.4
2023	420,256,288	413,682,123	98.4
2024	416,922,198	410,858,028	98.5
2025 Unaudited ⁽³⁾	416,670,942	409,698,739	98.3
2026 ⁽⁴⁾	421,301,954	40,893,615	9.7

(1) Includes Town, Special District and County purposes.

(2) Notwithstanding the percentages set forth in the column entitled “Percentage Current Taxes Collected,” the Town retains 100% of the amount levied for Town, Part Town and Special District purposes from all of the real property taxes collected by the Town on behalf of the County; taxes uncollected at the expiration of the tax warrant are reported to the County for collection and enforcement.

(3) Preliminary unaudited projections provided by the Town. Final audited results may vary therefrom.

(4) Year to date actual through January 20, 2026.

Source: Town of North Hempstead, Office of the Receiver of Taxes. Table itself is not audited.

Ten Larger Taxpayers – 2024 Assessment Roll for 2025 Town Tax Roll

The following table presents the taxable assessments of the Town’s ten largest taxpayers for the 2024 Assessment Roll:

<u>Name</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u> ⁽¹⁾
Keyspan Gas East	Utility	\$ 6,893,718	5.73%
Fifth Avenue of L I Real	Real Estate	1,112,447	0.92
We’re Associates Inc.	Real Estate	749,342	0.62
Verizon NY	Utility	744,961	0.62
CLK Marcus Avenue Property	Real Estate	744,416	0.62
1979 Marcus Ave Associates LLC	Commercial	492,574	0.41
Country Glen LLC	Shopping Center	485,737	0.40
Lake Success Shopping	Shopping Center	479,076	0.40
KMO-361 Manhasset LLC	Commercial	448,366	0.37
Birchwood Court Owners	Apartments	376,302	0.31
Total:		<u>\$ 12,526,939</u>	<u>10.40%</u>

(1) The total 2024 taxable assessed valuation of the Town is \$120,409,775.

Source: Nassau County Assessor’s Office.

TAX LEVY LIMIT LAW

Prior to the enactment of Chapter 97 of the New York Laws of 2011, as amended (the “Tax Levy Limit Law”), all the taxable real property within the Town had been subject to the levy of ad valorem taxes to pay the notes of the Town and interest thereon without limitation as to rate or amount. However, the Tax Levy Limit Law imposes a tax levy limitation upon the Town for any fiscal year commencing after January 1, 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 is subject to statutory limitations set forth in Tax Levy Limit Law.

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

The Tax Levy Limit Law imposes a limitation on increases in the real property tax levy of the Town, subject to certain exceptions. The Tax Levy Limit 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 twelvemonth 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 Limit 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 Town Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Board 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. For the 2013 budget year, the Town Board voted to override the 2% tax levy cap; however, since such time the Board has consistently stayed below the cap. A supermajority of the members of the Town Board voted in favor of the measure and enacted a local law amending Chapter 24 of the Town Code entitled, “Governmental Operations.” The Town Board has not taken steps to override the tax levy limit in connection with the adoption of its budget since 2014.

The Tax Levy Limit 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 Limit Law. As such, there can be no assurances that the Tax Levy Limit 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 Limit 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 and Statutory 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 Bonds and 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. However, the Tax Levy Limit Law imposes a statutory limitation on the Town’s power to increase its annual tax levy. As a result, the power of the Town to levy real estate taxes on all the taxable real property within the Town is subject to statutory limitations set forth in Tax Levy Limit Law, 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 LIMIT LAW*” herein.)

Debt Limit. The Town has the power to contract indebtedness for any Town purpose so long as the aggregate outstanding 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.

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 principal of and interest on all indebtedness. However, the Tax Levy Limit Law, imposes a statutory limitation on the power of the Town to increase its annual tax levy. (See “*TAX LEVY LIMIT 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 resolution, approved by at least two-thirds of the members of the Town Board, the finance board of the Town. Certain such 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, then only a three-fifths vote of the Town Board is needed for adoption.

The Local Finance Law also provides for a twenty-day statute of limitations after publication of a bond resolution (in summary or in full), together with a statutory notice which, in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. Except on rare occasions the Town complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

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

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 generally such renewals do not (with certain exceptions) extend more than 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. (See “*Payment and Maturity*” under “*Constitutional Requirements*” herein).

The Town Board, as the finance board of the Town, has the power, pursuant to the Local Finance Law, to adopt tax and revenue anticipation note resolutions by majority vote. Such resolutions may authorize the issuance of tax or revenue anticipation notes in an aggregate principal amount necessary to fund anticipated cash flow deficits, but, in no event, exceeding the amount of taxes or moneys estimated to be received by the Town, less any tax or revenue anticipation note previously issued and less the amount of such taxes or revenues previously received by the Town.

In addition, under each bond resolution, the Town Board may delegate the 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 capital notes, deficiency notes and budget notes.

Debt Outstanding End of Fiscal Year

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

<u>Fiscal Years Ending December 31:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Bonds ⁽¹⁾	\$ 375,548,561	\$ 382,043,306	\$ 402,210,524	\$ 390,757,658	\$ 380,919,574
Bond Anticipation Notes	<u>73,711,601</u>	<u>85,314,000</u>	<u>102,594,469</u>	<u>175,907,798</u>	<u>227,717,018</u>
Total Debt Outstanding	<u>\$ 449,260,162</u>	<u>\$ 467,357,306</u>	<u>\$ 504,804,993</u>	<u>\$ 566,665,456</u>	<u>\$ 608,636,592</u>

⁽¹⁾ Includes long-term bonds issued by the Town through the New York State Environmental Facilities Corporation (“EFC”).

Source: Town of North Hempstead, Office of the Town Comptroller and Audited Financial Statements of the Town. Table itself is unaudited.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the Town evidenced by bonds and notes as of February 25, 2026.

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2026-2054	\$ 377,444,574 ⁽¹⁾
<u>Bond Anticipation Notes</u>		
Various Town Projects	March 20, 2026	\$ 85,016,115 ⁽²⁾
Various Town Projects	September 19, 2025	<u>142,700,903</u>
	Total Indebtedness:	<u>\$ 605,161,592</u>

⁽¹⁾ Includes long-term bonds issued by the Town through the EFC.

⁽²⁾ To be redeemed at maturity using available funds of the Town and the proceeds of the Notes. (See “*Authority for and Purpose of the Notes*” herein.).

Source: Town of North Hempstead, Office of the Town Comptroller. Table itself is not audited.

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Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of February 25, 2026:

Five-Year Average Full Valuation of Taxable Real Property\$77,260,926,668
Debt Limit – 7% thereof..... 5,408,264,867

Inclusions:

Bonds ⁽¹⁾:

General Purpose..... \$ 183,819,799
Water 81,983,450
Sewer 111,641,325
\$ 377,444,574

Bond Anticipation Notes:

General Purpose..... \$ 18,803,197
Water..... 162,457,820
Sewer 46,456,000
\$ 227,717,018

Total Inclusions..... \$ 605,161,592

Exclusions:

Water – Bonds ⁽²⁾..... \$ 81,983,450
Water – Bond Anticipation Notes ⁽²⁾ 162,457,820
Appropriations ⁽³⁾..... 23,033,253

Total Exclusions..... \$ 267,474,523

Total Net Indebtedness Subject to Debt Limit.....\$ 337,687,069

Net Debt-Contracting Margin.....\$ 5,070,577,798

The percent of debt contracting power exhausted is 6.24%

⁽¹⁾ Includes long-term bonds issued by the Town through the EFC.

⁽²⁾ Water indebtedness exempt from Constitutional Debt Limit.

⁽³⁾ Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.

Source: Town of North Hempstead, Office of the Town Comptroller. Table itself is not audited.

Long-Term Debt Service Schedule

A schedule of Long-Term Debt Service may be found in “APPENDIX – B” to this Official Statement.

Bond Anticipation Notes and Other Short-Term Obligations

The Town currently has the following bond anticipation notes and other short-term obligations outstanding:

<u>Purpose</u>	<u>Dated Date</u>	<u>Maturity Date</u>	<u>Amount</u>
Various Town Projects	March 20, 2025	March 20, 2026	\$ 85,016,115 ⁽¹⁾
Various Town Projects	September 18, 2025	September 18, 2026	<u>142,700,903</u> ⁽²⁾
		Total Outstanding:	<u>\$ 227,717,018</u>

⁽¹⁾ To be redeemed at maturity using available funds of the Town and proceeds of the Bonds and Notes. See “*Authority for and Purpose of the Series A Bonds*” and “*Authority for and Purpose of the Notes*” herein.)

⁽²⁾ To be redeemed at maturity using available funds of the Town and proceeds from a future issuance of serial bonds and/or bond anticipation notes.

Tax and Revenue Anticipation Notes

The Town has not found it necessary to issue tax or revenue anticipation notes in any of the last five years and has no plans of issuing any in the foreseeable future.

Authorized But Unissued Debt

The Town anticipates issuing additional bond anticipation notes and/or bonds from time to time to renew or redeem the Town's outstanding bond anticipation notes and/or to provide financing for new projects. As of February 25, 2026, the Town has authorized but unissued debt of \$421,019,348 for the following purposes:

- 1) \$106,850,558 for various Town purposes;
- 2) \$28,689,202 for various Highway purposes;
- 3) \$2,574,198 for various TOV purposes and;
- 4) \$282,905,390 for various Special District purposes.

The Town anticipates that water districts located within the Town will continue to request that the Town Board adopt bond authorizations to allow for the issuance of bonds to finance upgrades to water distribution and treatment systems, to address anticipated new drinking water standards and to maintain existing water district infrastructure. The costs of the foregoing are expected to be substantial and will continue to impact the size of the Town bond and note issues for the foreseeable future.

Source: Town of North Hempstead, Office of the Comptroller.

Estimated Overlapping Indebtedness

The real property taxpayers of the Town are responsible for a proportionate share of outstanding debt obligations of the County, as well as various villages, school districts, and fire districts. 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 issued and outstanding by such overlapping entities.

	<u>Indebtedness</u> ⁽¹⁾	<u>Exclusions</u>	<u>Net Indebtedness</u>	<u>Town Share</u>	<u>Net Indebtedness Applicable to Town</u>
Nassau County	\$ 3,223,388,000	\$ 331,005,000 ⁽²⁾	\$ 2,892,383,000	26.17%	\$ 757,072,489
Incorporated Villages (31)	228,864,731	64,081,928 ⁽²⁾⁽³⁾	164,782,803	100.00%	164,782,803
Fire Districts (4)	5,385,025	-	5,385,025	100.00%	5,385,025
School Districts (13)	320,708,885	108,558,647 ⁽⁴⁾	212,150,238	Various	171,305,140
					<u>\$ 1,098,545,457</u>

(1) Outstanding bonds and bond anticipation notes of the respective municipality. Not adjusted to include subsequent issuances, if any.

(2) Water debt, sewer debt and budgeted appropriations as applicable for each respective municipality. Water Indebtedness excluded pursuant to Article VIII, Section 5B of the New York State Constitution. Sewer Indebtedness excluded pursuant to Article VIII, Section 5E of the New York State Constitution, as further prescribed under section 124.10 of the Local Finance Law. Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.

(3) Information regarding excludable debt is not available for all municipalities. Excludable debt shown in the table above is only reflective of those municipalities where such data could be obtained from available sources.

(4) Amount excluded represents State building aid on existing bonded indebtedness estimated to be received by the district pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963.

Note: Seven of the villages located in the Town are partially located in the neighboring towns. Six of the school districts located in the Town are also partially located in one of the neighboring towns.

Source: Local government data provided by the State Comptroller's office for the most recent fiscal year such data is available for the respective municipality, or where available, more recent annual financial information & operating data filings or official statements of the respective municipality.

Debt Ratios

The following table sets forth certain ratios relating to the Town's net indebtedness as of February 25, 2026.

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Gross Indebtedness ^(c)	\$ 605,161,592	\$ 2,545.99	0.65%
Net Indebtedness.....	337,687,069	1,420.69	0.36
Gross Indebtedness Plus Net Overlapping Indebtedness ^(d)	1,703,707,049	7,167.71	1.84
Net Indebtedness Plus Net Overlapping Indebtedness.....	1,436,232,526	6,042.41	1.55

(a) The 2024 estimated population of the Town is 237,692. (See “*THE TOWN – Population*” herein.)

(b) The Town full value of taxable real estate for its 2026 tax roll is \$92,746,172,308. (See “*TAX INFORMATION*” herein.)

(c) See "Debt Statement Summary" herein.

(d) Estimated net overlapping indebtedness is \$1,098,545,457. (See "*Estimated Overlapping Indebtedness*" herein.)

Environmental Facilities Corporation State Revolving Loan Fund Program

The Town has participated in the past and expects to participate in the future in the New York State Environmental Facilities Corporation’s (“EFC”) loan programs for various projects in and for the Town. In the past, the Town has obtained funding through EFC in connection with the closure of the Town’s L-5 Landfill located in Port Washington, for the construction of a new sewage treatment plant in the Great Neck Water Pollution Control District and projects including Port Washington Water District, Port Washington Water Pollution Control District and Belgrave Water Pollution Control District, among others.

The Town is not currently financing any projects with short-term loans from EFC.

The following is a list of the outstanding long-term bonds issued to EFC by the Town:

<u>CWSRF Project Number</u>	<u>Purpose</u>	<u>Date Originated</u> ⁽¹⁾	<u>CWSRF Financing Amount</u>	<u>Converted To Long Term</u>	<u>Final Maturity</u>
C1-5100-02-00	Belgrave Water Pollution Control District	01/04/2001 (originated), 03/13/2003 (2003A), 11/15/2012 (refunded), 05/18/2023 (refunded)	\$405,000	3/13/2003	10/15/2031
C1-5100-03-00	Belgrave Water Pollution Control District	10/09/2003 (originated), 07/27/2006 (2006C), 8/20/2015 (refunded)	2,660,000	7/27/2006	4/2/2036
C1-5153-05-00	Port Washington Water Pollution Control District	10/11/2007 (originated), 06/24/2010 (2010C), 12/17/2020 (refunded)	10,260,000	6/24/2010	10/1/2039
C1-5153-05-02	Port Washington Water Pollution Control District	10/11/2007 (originated), 06/19/2008 (long-term), 07/21/2011 (refunded), 12/9/2021 (refunded)	420,000	6/19/2008	4/1/2038

<u>CWSRF Project Number</u>	<u>Purpose</u>	<u>Date Originated</u> ⁽¹⁾	<u>CWSRF Financing Amount</u>	<u>Converted To Long Term</u>	<u>Final Maturity</u>
C1-5195-01-00	Great Neck Water Pollution Control District	04/08/2010 (originated), 11/15/2012 (2012E), 05/18/2023 (refunded)	38,550,000	11/15/2012	11/1/2042
C1-5153-17-75	Port Washington Water Pollution Control District	07/30/2015, 05/12/2016 (long-term)	1,885,113	5/12/2016	6/19/2045
C1-5100-07-75, C1-5100-07-76	Belgrave Water Pollution Control District	12/03/2015, 10/29/2020 (amended), 11/03/2022 (long-term)	3,959,087	11/3/2022	10/1/2052
C1-5100-05-00	Belgrave Water Pollution Control District	10/29/2020, 12/06/2022 (2022B)	10,167,403	12/6/2022	9/1/2052

⁽¹⁾ Reflects the date of original financing or in certain cases the date of refunding of the original EFC financing.

Environmental Legacy Fund

Local Law 13-2000 of the Town, which has been codified as Chapter 20D of the Town Code, established the Environmental Legacy Fund (the "Program") for the purpose of acquiring land for open space preservation, the restoration and protection of environmentally sensitive areas and the improvement and enhancement of coastal areas and waterways by the Town. Among other things, Local Law 13-2000 also establishes certain eligibility criteria, authorizes the creation of an advisory committee and sets forth certain other guidelines for the administration of the Program.

Prior to the enactment of Local Law 13-2000, the Town Board stated that the funds necessary to pay debt service for eligible projects would come from additional property taxes, not from current taxes and revenues. To date, bonds or notes of the Town have been issued to finance eligible projects that have been recommended by an advisory committee established pursuant to the provisions of the Local Law and approved by the Town Board. Extra-jurisdictional resources, such as grants from the State, County and Federal governments, have been leveraged with Town funds and bond proceeds of the Town to finance eligible projects. Such other sources have not been used to reduce outstanding principal debt or offset annual debt service payments. In addition, where possible, the Town has financed eligible projects for the Program through the EFC Clean Water State Revolving Loan Fund.

Debt Management Plan and Capital Program

In 2000, the Town Board adopted a formal Debt Management Plan ("DMP") and a five-year capital plan. The DMP established guidelines to control and limit future capital borrowings of the Town and reduce overall annual debt service payments in the Town's General Fund and Highway Fund. The DMP sets "not-to-exceed" targets for the Town's debt-per capita ratio and the Town's exhausted constitutional debt limit. The Town Board approved and adopted the amendments to the DMP in 2002, 2003, 2004 and 2011. The amendments incorporated the projected debt service requirements from the issuance of bonds issued to settle significant litigation involving the Town and actual bond issuances into the plan.

In January 2003, the New York State Comptroller issued a certificate authorizing the exclusion of indebtedness for the construction of a golf clubhouse at the Harbor Links Golf Course. The debt issued for this project is excluded from the DMP because it is deemed to be self-supporting debt.

The Town Board adopted an updated five-year Capital Plan on January 7, 2026. The plan annually evaluates and addresses the capital needs of the Town, while keeping net capital costs below the targets established by the DMP. The Town's current capital plan, which covers the current five-year period ending on December 31, 2030, anticipates total capital expenditures of \$36,706,622 in the General Fund, which includes the issuance of bonds in the amount of \$31,267,435, with the remainder funded through grants, capital projects reserve funds and existing cash on-hand. The Town Outside Village Fund portion of the capital plan covering the same period anticipates \$52,275,048 in capital expenditures, of which \$51,488,213 is to be financed through the issuance of bonds and the remainder through grants, capital projects reserve funds and existing cash on-hand. (See also "Authorized but Unissued Debt" herein.) Commissioner operated special districts can also finance projects through the Town, however, the capital plans of such commissioner operated special districts are not subject to Town development or control.

It should be noted that the capital plan itemizes the capital priorities of the Town over a five-year period; the availability of approved capital authorizations and operating funds will ultimately determine which projects are undertaken by the Town. The Town's capital plan is posted on the Town's website and is also available upon request at the Town Clerk's Office.

CONTINUING DISCLOSURE

At the time of the delivery of the Bonds and the Notes, the Town will provide executed copies of its Undertaking to Provide Continuing Disclosure with respect to the Bonds and its Undertaking to Provide Notices of Events with respect to the Notes substantially as set forth, respectively, in "APPENDIX - C & D" hereto.

Continuing Disclosure Compliance History

The Town has previously undertaken disclosure agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide annual reports and significant events notices pursuant to the Rule. In the past five years, the Town has failed to comply with its previous undertakings to provide annual reports or notices of significant events in accordance with the SEC Rule 15c2-12 as described below:

- On November 3, 2022, the Town entered into a Project Finance Agreement with the New York State Environmental Facilities Corporation ("EFC") in the principal amount of \$3,959,087 to finance the planning, design and construction of a new effluent pump station in the Belgrave Water Pollution Control District. On November 22, 2022, the Town issued a Clean Water Statutory Installment Bond through EFC in the principal amount of \$10,167,403 to finance the increase and improvement of facilities of the Belgrave Water Pollution Control District. On December 16, 2022, a failure to file notice was filed with EMMA regarding the above incurrence of financial obligations.
- The Town's 2023 unaudited Annual Financial Report ("AFR") was due to be filed to EMMA on or before June 30, 2024, in lieu of the Town's Audited Financial Statements not being completed on or before that date, however, the Town's 2023 AFR was still in progress and not complete as of June 29, 2024. A failure to file notice was filed with EMMA on July 2, 2024. The Town 2023 AFR was completed on July 31, 2024 and filed to EMMA on July 31, 2024.

MUNICIPAL ADVISOR

Fiscal Advisors & Marketing, Inc. (the "Municipal Advisor") is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the Town on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Bonds and the Notes. The advice on the plan of financing and the structuring of the Bonds and the Notes was based on materials provided by the Town and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Town or the information set forth in this Official Statement or any other information available to the Town warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the Town to Fiscal Advisors are partially contingent on the successful closing of the Bonds and the Notes.

CUSIP IDENTIFICATION NUMBERS

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

RATINGS

The Notes are NOT rated. Subject to the approval of the Town, the purchaser(s) of the Notes may have a rating completed after the sale at the expense of the purchaser(s), including any fees to be incurred by the Town, such as a rating action that may require the filing of a material event notification to EMMA. (See "APPENDIX - D", attached hereto).

On February 13, 2026, Moody's Investors Service ("Moody's") assigned its rating of "Aaa" with a Stable outlook to the Bonds. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. This rating reflects only the view of the Moody's and an explanation of the significance of such rating may be obtained from Moody's Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, NY 10007, Phone: (212) 553-1653.

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

ADDITIONAL INFORMATION

So far as any statements made in this Official Statement involve matters of opinion or estimates in good faith, no assurance can be given that the facts will materialize as so opined or estimated. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders of the Bonds and 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's 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.

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 purchasers or holders of any of the Bonds and Notes.

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

Concurrently with the delivery of the Bonds and Notes, the Town will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to a limitation as to information in the Official Statement obtained from sources other than the Town.

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

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

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

The Town's contact information is as follows:

Steven Pollack, Director of Governmental Research, Town of North Hempstead – Finance Department, 220 Plandome Road, Manhasset, New York 11030, Phone: (516) 869-2904, Email: pollacks@northhempsteadny.gov.

Additional information may be obtained upon request from Fiscal Advisors & Marketing, Inc. (315) 752-0051, www.fiscaladvisors.com.

This Official Statement has been duly executed and delivered by the Town Supervisor of the Town of North Hempstead.

TOWN OF NORTH HEMPSTEAD

Dated: March __, 2026
Manhasset, New York

JENNIFER S. DESENA
Town Supervisor & Chief Fiscal Officer

GENERAL FUND

Balance Sheets

Fiscal Years Ending	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>ASSETS</u>					
Cash and Equivalents	\$ 12,543,188	\$ 22,057,925	\$ 34,664,863	\$ 37,425,555	\$ 31,698,688
Accounts Receivable	894,522	3,964,305	3,125,282	3,739,150	4,942,211
State and Federal Aid Receivables	493,232	803,094	511,735	1,703,406	1,131,866
Leases	-	-	-	-	1,156,316
Due from Other Governments	5,833,495	6,035,565	5,561,720	4,986,544	5,260,223
Due from Other Funds	2,989,097	4,261,021	5,964,477	7,798,617	10,285,960
Inventory of Material and Supplies	390,731	322,304	424,085	373,444	250,318
Prepaid Expenditures	957,854	1,143,764	1,108,075	1,799,487	1,793,216
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 24,102,119</u>	<u>\$ 38,587,978</u>	<u>\$ 51,360,237</u>	<u>\$ 57,826,203</u>	<u>\$ 56,518,798</u>
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable & Accrued Liabilities	\$ 2,581,603	\$ 3,590,704	\$ 4,334,365	\$ 4,441,746	\$ 5,101,602
Due to other Governments	1,779,804	1,266,072	820,290	1,170,322	1,253,020
Deposits Payable	904,445	1,024,826	1,135,149	1,180,155	1,075,919
Due to other Funds	10,532	1,008,727	4,916	55,074	10,477
Unearned Revenue	-	5,436,601	9,372,152	9,375,539	9,343,628
Deferred Revenue	566,995	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>\$ 5,843,379</u>	<u>\$ 12,326,930</u>	<u>\$ 15,666,872</u>	<u>\$ 16,222,836</u>	<u>\$ 16,784,646</u>
Deferred Inflows of Resources	<u>\$ 175,471</u>	<u>\$ 173,575</u>	<u>\$ 173,575</u>	<u>\$ 991,948</u>	<u>\$ 1,374,248</u>
<u>FUND EQUITY</u>					
Nonspendable	\$ 1,348,585	\$ 1,466,068	\$ 1,532,160	\$ 2,172,931	\$ 2,083,728
Restricted	-	-	-	-	-
Assigned	4,480,804	4,708,348	6,075,894	9,930,052	10,478,344
Unassigned	12,253,880	19,913,057	27,911,736	28,508,436	25,797,832
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND EQUITY	<u>\$ 18,083,269</u>	<u>\$ 26,087,473</u>	<u>\$ 35,519,790</u>	<u>\$ 40,611,419</u>	<u>\$ 38,359,904</u>
TOTAL LIABILITIES and FUND EQUITY	<u>\$ 24,102,119</u>	<u>\$ 38,587,978</u>	<u>\$ 51,360,237</u>	<u>\$ 57,826,203</u>	<u>\$ 56,518,798</u>

Note: On September 30, 2021, the Town Board passed a resolution terminating the corporate existence of the Solid Waste Management Authority (the "Authority") and transferring all assets and liabilities of the Authority to the Town's General Fund as of December 31, 2021. The resolution states that the Authority and its corporate existence be terminated effective January 1, 2022. The Authority's functions will continue to be performed by the Town through the Town's Department of Solid Waste Management. The intent of the transfer was to manage the solid waste operations more efficiently, transparently and cost-effectively

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUES					
Real Property Taxes	\$ 25,317,582	\$ 26,087,299	\$ 26,844,647	\$ 25,520,225	\$ 22,950,414
Other Real Property Tax Items	2,103,435	2,324,706	2,459,011	2,605,674	2,401,985
Non-Property Tax Items	13,937,959	16,240,882	17,460,079	17,572,022	17,477,740
Departmental Income	3,814,611	8,515,717	24,667,071	24,675,658	26,575,276
Intergovernmental Charges	-	660	664,081	621,142	748,718
Use of Money & Property	265,601	154,170	304,414	1,952,302	2,765,345
Licenses and Permits	238,652	273,389	247,216	259,463	250,753
Fines and Forfeitures	31,309	30,633	23,549	44,113	44,363
Sale of Property and					
Compensation for Loss	26,547	49,100	340,454	1,622,043	214,758
Miscellaneous	1,144,575	1,128,953	1,104,055	3,496,357	1,607,789
Interfund Revenues	6,833,879	7,221,237	7,430,118	7,916,420	8,585,679
Federal, State & County Aid	10,103,059	13,802,658	13,700,789	7,226,930	7,440,117
Total Revenues	<u>\$ 63,817,209</u>	<u>\$ 75,829,404</u>	<u>\$ 95,245,484</u>	<u>\$ 93,512,349</u>	<u>\$ 91,062,937</u>
EXPENDITURES					
General Government Support	\$ 14,836,145	\$ 15,388,275	\$ 15,167,505	\$ 16,423,053	\$ 20,223,635
Education	2,657,322	2,349,819	1,763,677	2,640,256	2,632,381
Public Safety	1,547,137	1,723,585	1,683,409	1,863,712	2,029,437
Transportation	31,083	135,292	51,395	22,263	40,036
Economic Assistance and					
Opportunity	2,289,678	2,381,829	2,464,572	2,550,247	2,663,550
Culture and Recreation	14,725,726	18,396,541	19,312,296	20,210,266	21,563,200
Home and Community Services	1,656,909	2,029,107	17,564,470	17,929,482	19,380,201
Employee Benefits	11,146,221	11,606,855	13,016,430	13,075,270	14,279,818
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ 48,890,221</u>	<u>\$ 54,011,303</u>	<u>\$ 71,023,754</u>	<u>\$ 74,714,549</u>	<u>\$ 82,812,258</u>
Excess of Revenues Over (Under)					
Expenditures	<u>\$ 14,926,988</u>	<u>\$ 21,818,101</u>	<u>\$ 24,221,730</u>	<u>\$ 18,797,800</u>	<u>\$ 8,250,679</u>
Other Financing Sources (Uses):					
Operating Transfers In	1,888,381	3,062,854	1,931,384	1,210,724	3,444,980
Operating Transfers Out	(16,037,527)	(16,876,751)	(16,720,797)	(14,916,895)	(13,947,174)
Sale of Property	-	-	-	-	-
Total Other Financing	<u>\$ (14,149,146)</u>	<u>\$ (13,813,897)</u>	<u>\$ (14,789,413)</u>	<u>\$ (13,706,171)</u>	<u>\$ (10,502,194)</u>
Excess of Revenues and Other					
Sources Over (Under) Expenditures					
and Other Uses	<u>777,842</u>	<u>8,004,204</u>	<u>9,432,317</u>	<u>5,091,629</u>	<u>(2,251,515)</u>
FUND BALANCE					
Fund Balance - Beginning of Year	17,305,427	18,083,269	26,087,473	35,519,790	40,611,419
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 18,083,269</u>	<u>\$ 26,087,473</u>	<u>\$ 35,519,790</u>	<u>\$ 40,611,419</u>	<u>\$ 38,359,904</u>

Source: Audited financial reports of the Town. This Appendix is not itself audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Fiscal Years Ending	2024		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Audited Actual</u>
<u>REVENUES</u>			
Real Property Taxes	\$ 22,921,376	\$ 22,921,376	\$ 22,950,414
Other Real Property Tax Items	2,909,655	2,909,655	2,401,985
Non-Property Tax Items	16,380,298	16,380,298	17,477,740
Departmental Income	23,188,022	25,174,667	26,575,276
Intergovernmental Charges	747,508	748,718	748,718
Use of Money & Property	311,885	311,885	2,765,345
Licenses and Permits	278,100	278,100	250,753
Fines and Forfeitures	40,000	40,000	44,363
Sale of Property and Compensation for Loss	50,000	51,500	214,758
Miscellaneous	1,063,565	1,083,280	1,607,789
Interfund Revenues	8,551,437	8,587,139	8,585,679
Federal, State & County Aid	6,800,505	12,224,059	7,440,117
Total Revenues	<u>\$ 83,242,351</u>	<u>\$ 90,710,677</u>	<u>\$ 91,062,937</u>
<u>EXPENDITURES</u>			
General Government Support	\$ 18,374,471	\$ 21,899,490	\$ 20,223,635
Education	2,300,000	2,632,390	2,632,381
Public Safety	2,222,920	2,224,334	2,029,437
Transportation	-	40,038	40,036
Economic Assistance and Opportunity	3,053,301	3,068,102	2,663,550
Culture and Recreation	20,926,082	21,604,570	21,563,200
Home and Community Services	18,050,897	20,007,142	19,380,201
Employee Benefits	14,957,247	14,442,966	14,279,818
Debt Service	-	-	-
Total Expenditures	<u>\$ 79,884,918</u>	<u>\$ 85,919,032</u>	<u>\$ 82,812,258</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 3,357,433</u>	<u>\$ 4,791,645</u>	<u>\$ 8,250,679</u>
Other Financing Sources (Uses):			
Operating Transfers In	1,993,247	2,324,981	3,444,980
Operating Transfers Out	(12,170,490)	(19,037,350)	(13,947,174)
Sale of Property	-	-	-
Total Other Financing	<u>\$ (10,177,243)</u>	<u>\$ (16,712,369)</u>	<u>\$ (10,502,194)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(6,819,810)</u>	<u>(11,920,724)</u>	<u>(2,251,515)</u>
<u>FUND BALANCE</u>			
Fund Balance - Beginning of Year	6,819,810	11,920,724	40,611,419
Prior Period Adjustments (net)	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,359,904</u>

Source: 2024 audited financial report of the Town. This Appendix is not itself audited.

GENERAL FUND

Summary of Budgeted Revenues and Expenditures

Fiscal Years Ending	<u>2022</u> Adopted Budget	<u>2023</u> Adopted Budget	<u>2024</u> Adopted Budget	<u>2025</u> Adopted Budget	<u>2026</u> Adopted Budget
<u>REVENUES AND FUND BALANCE</u>					
Real Property Taxes	\$ 26,808,627	\$ 25,468,196	\$ 22,921,376	\$ 20,224,794	\$ 20,224,794
Real Property Tax Items	2,353,615	2,347,934	2,813,375	2,978,800	2,867,996
Non-Property Taxes	12,100,000	12,100,000	14,500,000	15,800,000	15,838,256
Mortgage Tax	8,100,000	8,500,000	6,000,000	7,500,000	7,500,000
State Aid	1,177,402	1,140,403	1,140,403	1,167,117	1,157,368
Federal Aid	333,000	333,000	333,000	333,000	333,000
Other Receipts	10,965,718	11,381,105	11,394,009	6,510,558	6,858,926
Interfund Revenues	7,408,715	7,873,069	8,551,437	9,023,395	9,240,402
Interfund Transfers	1,900,702	1,210,724	1,993,247	2,767,819	2,512,907
Appropriated Fund Balance	950,000	2,446,913	6,819,810	8,237,953	10,067,172
Solid Waste Management ⁽¹⁾	16,388,998	16,433,692	15,588,751	16,713,607	15,992,087
Total Revenues	<u>\$ 88,486,777</u>	<u>\$ 89,235,036</u>	<u>\$ 92,055,408</u>	<u>\$ 91,257,043</u>	<u>\$ 92,592,908</u>
<u>EXPENDITURES</u>					
Administrative Services	\$ 1,911,451	\$ 1,780,007	\$ 1,860,187	\$ 1,875,195	\$ 2,065,623
Community Services	3,379,093	3,429,350	3,693,241	3,680,859	3,506,612
Comptroller/Finance	17,145,784	19,289,787	20,554,505	22,833,977	24,293,896
Parks and Recreation	18,712,413	19,798,150	20,562,078	15,763,661	16,393,369
Public Safety	1,770,754	2,009,480	2,222,920	2,346,728	2,337,455
Other	11,634,036	12,904,442	13,218,576	13,098,602	13,550,553
Debt Service	15,901,194	12,171,851	12,170,490	12,294,523	12,222,467
Solid Waste Management ⁽¹⁾	18,032,052	17,851,969	17,773,411	19,363,498	18,222,933
Total Expenditures	<u>\$ 88,486,777</u>	<u>\$ 89,235,036</u>	<u>\$ 92,055,408</u>	<u>\$ 91,257,043</u>	<u>\$ 92,592,908</u>

(1) On September 30, 2021, the Town Board passed a resolution terminating the corporate existence of the Solid Waste Management Authority (the "Authority") and transferring all assets and liabilities of the Authority to the Town's General Fund as of December 31, 2021. The resolution states that the Authority and its corporate existence be terminated effective January 1, 2022. The Authority's functions will continue to be performed by the Town through the Town's Department of Solid Waste Management. The intent of the transfer was to manage the solid waste operations more efficiently, transparently and cost-effectively

PART-TOWN FUND

Balance Sheets

Fiscal Years Ending	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>ASSETS</u>					
Cash and Equivalents	\$ 10,914,624	\$ 10,289,470	\$ 11,176,408	\$ 10,119,711	\$ 9,092,437
Accounts Receivable	148,530	80,291	57,755	67,279	54,292
Due from Other Governments	32,242	54,186	39,903	51,172	120,584
Due from Other Funds	-	57,000	584	-	-
Prepaid Expenditures	<u>257,564</u>	<u>290,365</u>	<u>273,520</u>	<u>421,173</u>	<u>447,882</u>
TOTAL ASSETS	<u><u>\$ 11,352,960</u></u>	<u><u>\$ 10,771,312</u></u>	<u><u>\$ 11,548,170</u></u>	<u><u>\$ 10,659,335</u></u>	<u><u>\$ 9,715,195</u></u>
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 438,490	\$ 218,754	\$ 223,428	\$ 193,738	\$ 249,154
Due to Other Funds	27,312	36,844	47,561	57,786	68,435
Due to other Governments	27,134	-	-	-	-
Deposits Payable	603,951	643,731	738,985	728,221	771,157
Unearned revenue	<u>312</u>	<u>3,896</u>	<u>3,013</u>	<u>405</u>	<u>287</u>
TOTAL LIABILITIES	<u><u>\$ 1,097,199</u></u>	<u><u>\$ 903,225</u></u>	<u><u>\$ 1,012,987</u></u>	<u><u>\$ 980,150</u></u>	<u><u>\$ 1,089,033</u></u>
Deferred Inflows of Resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>FUND EQUITY</u>					
Nonspendable	\$ 257,564	\$ 290,365	\$ 273,520	\$ 421,173	\$ 447,882
Restricted	-	-	-	-	-
Assigned	9,998,197	9,577,722	10,261,663	9,258,012	8,178,280
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUND EQUITY	<u><u>\$ 10,255,761</u></u>	<u><u>\$ 9,868,087</u></u>	<u><u>\$ 10,535,183</u></u>	<u><u>\$ 9,679,185</u></u>	<u><u>\$ 8,626,162</u></u>
TOTAL LIABILITIES and FUND EQUITY	<u><u>\$ 11,352,960</u></u>	<u><u>\$ 10,771,312</u></u>	<u><u>\$ 11,548,170</u></u>	<u><u>\$ 10,659,335</u></u>	<u><u>\$ 9,715,195</u></u>

Source: Audited financial reports of the Town. This Appendix is not itself audited.

PART-TOWN FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUES					
Real Property Taxes	\$ 5,774,084	\$ 6,063,670	\$ 6,919,986	\$ 6,520,019	\$ 6,537,616
Other Real Property Tax Items	487,306	487,092	566,175	650,043	640,554
Non-Property Tax Items	57,000	57,000	57,000	57,000	57,000
Departmental Income	898,820	880,481	1,055,766	1,104,279	1,114,547
Use of Money & Property	44,349	2,635	15,297	256,012	266,667
Licenses and Permits	4,701,139	5,015,472	5,244,722	4,499,110	5,279,935
Fines and Forfeitures	131,812	109,840	110,080	87,398	98,615
Sale of Property and Compensation for Loss	5,691	5,151	-	1,698	-
Miscellaneous	18,988	588	53	21,094	1,367
Interfund Revenues	145	-	-	-	-
Federal, State & County Aid	70,098	-	583	-	-
Total Revenues	<u>\$ 12,189,432</u>	<u>\$ 12,621,929</u>	<u>\$ 13,969,662</u>	<u>\$ 13,196,653</u>	<u>\$ 13,996,301</u>
EXPENDITURES					
General Government Support	\$ 2,386,788	\$ 2,545,522	\$ 2,852,655	\$ 3,264,168	\$ 4,020,134
Public Safety	4,765,128	5,076,010	5,274,119	5,470,969	5,567,904
Health	310,886	358,016	309,371	313,976	342,531
Transportation	-	5,151	-	-	-
Economic Assistance and Opportunity	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Home and Community Services	1,129,936	1,175,813	1,203,013	1,228,207	1,189,338
Employee Benefits	3,124,838	3,447,839	3,567,257	3,575,453	3,845,963
Total Expenditures	<u>\$ 11,717,576</u>	<u>\$ 12,608,351</u>	<u>\$ 13,206,415</u>	<u>\$ 13,852,773</u>	<u>\$ 14,965,870</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 471,856</u>	<u>\$ 13,578</u>	<u>\$ 763,247</u>	<u>\$ (656,120)</u>	<u>\$ (969,569)</u>
Other Financing Sources (Uses):					
Operating Transfers In	(201,697)	-	206	-	38,564
Operating Transfers Out	21,961	(401,252)	(96,357)	(199,878)	(122,018)
Total Other Financing	<u>\$ (179,736)</u>	<u>\$ (401,252)</u>	<u>\$ (96,151)</u>	<u>\$ (199,878)</u>	<u>\$ (83,454)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>292,120</u>	<u>(387,674)</u>	<u>667,096</u>	<u>(855,998)</u>	<u>(1,053,023)</u>
FUND BALANCE					
Fund Balance - Beginning of Year	9,963,641	10,255,761	9,868,087	10,535,183	9,679,185
Prior Period Adjustments (net)				-	-
Fund Balance - End of Year	<u>\$ 10,255,761</u>	<u>\$ 9,868,087</u>	<u>\$ 10,535,183</u>	<u>\$ 9,679,185</u>	<u>\$ 8,626,162</u>

Source: Audited financial reports of the Town. This Appendix is not itself audited.

PART-TOWN FUND

Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Fiscal Years Ending	2024		
	Original <u>Budget</u>	Final <u>Budget</u>	Audited <u>Actual</u>
<u>REVENUES</u>			
Real Property Taxes	\$ 6,537,143	\$ 6,537,143	\$ 6,537,616
Other Tax Items	639,966	639,966	640,554
Non-Property Tax Items	57,000	57,000	57,000
Departmental Income	1,060,000	1,060,000	1,114,547
Use of Money & Property	120,000	120,000	266,667
Licenses and Permits	4,654,000	4,654,000	5,279,935
Fines and Forfeitures	125,000	125,000	98,615
Sale of Property and Compensation for Loss	-	-	-
Miscellaneous	-	-	1,367
Interfund Revenues	-	-	-
Federal, State & County Aid	-	-	-
Total Revenues	<u>\$ 13,193,109</u>	<u>\$ 13,193,109</u>	<u>\$ 13,996,301</u>
<u>EXPENDITURES</u>			
General Government Support	\$ 4,103,405	\$ 4,103,405	\$ 4,020,134
Public Safety	5,646,537	5,765,446	5,567,904
Health	343,092	343,192	342,531
Transportation	-	-	-
Economic Assistance and Opportunity	-	-	-
Culture and Recreation	-	-	-
Home and Community Services	1,238,507	1,238,507	1,189,338
Employee Benefits	4,181,645	4,062,633	3,845,963
Total Expenditures	<u>\$ 15,513,186</u>	<u>\$ 15,513,183</u>	<u>\$ 14,965,870</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (2,320,077)</u>	<u>\$ (2,320,074)</u>	<u>\$ (969,569)</u>
Other Financing Sources (Uses):			
Operating Transfers In	25,501	25,501	38,564
Operating Transfers Out	(96,829)	(122,020)	(122,018)
Total Other Financing	<u>\$ (71,328)</u>	<u>\$ (96,519)</u>	<u>\$ (83,454)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(2,391,405)</u>	<u>(2,416,593)</u>	<u>(1,053,023)</u>
<u>FUND BALANCE</u>			
Fund Balance - Beginning of Year	2,391,405	2,416,593	9,679,185
Prior Period Adjustments (net)	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,626,162</u>

Source: 2024 audited financial report of the Town. This Appendix is not itself audited.

PART-TOWN FUND

Summary of Budgeted Revenues and Expenditures

Fiscal Years Ending	<u>2022</u> Adopted Budget	<u>2023</u> Adopted Budget	<u>2024</u> Adopted Budget	<u>2025</u> Adopted Budget	<u>2026</u> Adopted Budget
<u>REVENUES AND FUND BALANCE</u>					
Real Property Taxes	\$ 6,920,115	\$ 6,520,348	\$ 6,507,342	\$ 4,334,275	\$ 4,343,773
Real Property Tax Items	486,827	565,288	540,229	540,900	406,904
LIPA Settlement	-	-	129,538	40,355	44,208
State Aid	56,562	-	-	-	-
Federal Aid	-	-	-	-	-
Building Permits	4,654,000	4,654,000	4,654,000	5,654,000	5,400,000
Other Receipts	1,104,500	1,080,000	1,387,500	5,120,111	5,500,486
Interfund Transfers	206	-	-	-	-
Appropriated Fund Balance	338,944	1,387,780	2,391,405	1,054,310	1,114,523
Total Revenues	<u>\$ 13,561,154</u>	<u>\$ 14,207,416</u>	<u>\$ 15,610,014</u>	<u>\$ 16,743,951</u>	<u>\$ 16,809,894</u>
<u>EXPENDITURES</u>					
Department of Public Safety	\$ 938,171	\$ 920,196	\$ 1,073,784	\$ 1,057,807	\$ 1,071,107
Office of the Town Clerk	311,383	325,917	343,192	388,622	401,108
Dept. of Planning / Zoning Appeals	1,226,869	1,213,352	1,238,507	1,279,752	1,400,489
Dept. of Building & Safety Inspection	4,514,253	4,503,154	4,572,251	4,888,748	4,678,662
Part-Town - Emergency Disaster	-	-	-	-	-
Part-Town - Unallocated	275,766	295,690	291,729	291,836	288,371
Part-Town - Employee Benefits	3,547,414	3,797,054	4,181,646	4,472,737	4,697,522
Part-Town - Indebtedness	96,357	96,384	96,829	121,278	154,951
Part-Town - Other	2,650,941	3,055,669	3,812,076	4,243,171	4,117,684
Total Expenditures	<u>\$ 13,561,154</u>	<u>\$ 14,207,416</u>	<u>\$ 15,610,014</u>	<u>\$ 16,743,951</u>	<u>\$ 16,809,894</u>

Source: Adopted budgets (unaudited) of the Town. This Appendix is not itself audited.

HIGHWAY FUND

Balance Sheets

Fiscal Years Ending	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>ASSETS</u>					
Cash and Equivalents	\$ 11,474,527	\$ 12,183,922	\$ 10,832,081	\$ 11,739,935	\$ 7,942,642
Accounts Receivable, Net of Allowances	122,666	17,871	13,063	7,412	84,525
State and Federal Aid Receivables	379,834	13,378	1,143,642	258,883	721,938
Leases	-	-	-	-	828,955
Due from Other Governments	1,470	4,139	2,442	1,409	876
Due from Other Funds	905,921	908,274	269,340	-	-
Inventory of Material and Supplies	314,570	359,023	273,596	558,638	536,922
Prepaid Expenditures	400,102	403,883	363,885	610,160	641,939
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 13,599,090</u>	<u>\$ 13,890,490</u>	<u>\$ 12,898,049</u>	<u>\$ 13,176,437</u>	<u>\$ 10,757,797</u>
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 705,783	\$ 414,919	\$ 316,364	\$ 402,235	\$ 996,768
Due to Other Funds	250,198	314,748	688,540	108,726	246,103
Unearned revenue	-	11,852	9,913	1,154	1,213
Deferred revenue	113,358	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>\$ 1,069,339</u>	<u>\$ 741,519</u>	<u>\$ 1,014,817</u>	<u>\$ 512,115</u>	<u>\$ 1,244,084</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues for services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 803,936</u>
<u>FUND EQUITY</u>					
Nonspendable	\$ 714,672	\$ 762,906	\$ 637,481	\$ 1,168,798	\$ 1,203,880
Restricted	-	-	-	-	-
Assigned	11,815,079	12,386,065	11,245,751	11,495,524	7,505,897
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND EQUITY	<u>\$ 12,529,751</u>	<u>\$ 13,148,971</u>	<u>\$ 11,883,232</u>	<u>\$ 12,664,322</u>	<u>\$ 8,709,777</u>
TOTAL LIABILITIES and FUND EQUITY					
	<u>\$ 13,599,090</u>	<u>\$ 13,890,490</u>	<u>\$ 12,898,049</u>	<u>\$ 13,176,437</u>	<u>\$ 10,757,797</u>

HIGHWAY FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>REVENUES</u>					
Real Property Taxes	\$ 21,273,814	\$ 21,331,108	\$ 21,089,504	\$ 21,511,630	\$ 18,665,213
Other Tax Items	1,790,950	1,709,831	1,722,328	2,138,550	1,839,168
Departmental Income	101	87	88	160	76
Intergovernmental Charges	11,459	26,960	45,227	16,216	20,167
Use of Money & Property	111,411	69,909	85,245	370,691	459,319
Licenses and Permits	482,532	434,840	588,750	452,930	604,350
Fines and Forfeitures	-	-	-	-	-
Sale of Property and					
Compensation for Loss	63,299	108,224	215,275	103,033	33,134
Miscellaneous	176,008	19,042	162	10,267	3,618
Interfund Revenues	48,496	96,302	62,555	59,955	67,468
Revenues from State Sources	634,798	1,148,960	1,488,478	1,271,824	1,270,191
Revenues from Federal Sources	-	-	-	-	-
Total Revenues	<u>\$ 24,592,868</u>	<u>\$ 24,945,263</u>	<u>\$ 25,297,612</u>	<u>\$ 25,935,256</u>	<u>\$ 22,962,704</u>
<u>EXPENDITURES</u>					
General Government Support	\$ 2,818,431	\$ 2,862,731	\$ 2,967,346	\$ 3,075,249	\$ 3,207,827
Transportation	8,502,775	9,469,835	11,831,633	10,724,161	10,128,471
Employee Benefits	5,466,619	5,905,864	5,413,625	5,392,572	5,649,265
Total Expenditures	<u>\$ 16,787,825</u>	<u>\$ 18,238,430</u>	<u>\$ 20,212,604</u>	<u>\$ 19,191,982</u>	<u>\$ 18,985,563</u>
Excess of Revenues Over (Under)					
Expenditures	<u>\$ 7,805,043</u>	<u>\$ 6,706,833</u>	<u>\$ 5,085,008</u>	<u>\$ 6,743,274</u>	<u>\$ 3,977,141</u>
Other Financing Sources (Uses):					
Operating Transfers In	1,107,753	899,183	1,141,330	624,210	900,992
Operating Transfers Out	(6,481,856)	(6,986,796)	(7,492,077)	(6,586,394)	(8,832,678)
Total Other Financing	<u>\$ (5,374,103)</u>	<u>\$ (6,087,613)</u>	<u>\$ (6,350,747)</u>	<u>\$ (5,962,184)</u>	<u>\$ (7,931,686)</u>
Excess of Revenues and Other					
Sources Over (Under) Expenditures					
and Other Uses	<u>2,430,940</u>	<u>619,220</u>	<u>(1,265,739)</u>	<u>781,090</u>	<u>(3,954,545)</u>
<u>FUND BALANCE</u>					
Fund Balance - Beginning of Year	10,098,811	12,529,751	13,148,971	11,883,232	12,664,322
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 12,529,751</u>	<u>\$ 13,148,971</u>	<u>\$ 11,883,232</u>	<u>\$ 12,664,322</u>	<u>\$ 8,709,777</u>

Source: Audited financial reports of the Town. This Appendix is not itself audited.

HIGHWAY FUND

Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Fiscal Years Ending	2024		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Audited Actual</u>
<u>REVENUES</u>			
Real Property Taxes	\$ 18,686,635	\$ 18,686,635	\$ 18,665,213
Other Tax Items	2,062,102	2,062,102	1,839,168
Departmental Income	-	-	76
Intergovernmental Charges	15,000	15,000	20,167
Use of Money & Property	119,000	119,000	459,319
Licenses and Permits	475,000	475,000	604,350
Fines and Forfeitures	-	-	-
Sale of Property and Compensation for Loss	35,500	35,500	33,134
Miscellaneous	20,000	20,000	3,618
Interfund Revenues	50,000	50,000	67,468
Revenues from State Sources	1,491,484	1,491,484	1,270,191
Revenues from Federal Sources	-	-	-
Total Revenues	<u>\$ 22,954,721</u>	<u>\$ 22,954,721</u>	<u>\$ 22,962,704</u>
<u>EXPENDITURES</u>			
General Government Support	\$ 2,976,472	\$ 3,249,716	\$ 3,207,827
Transportation	14,848,769	14,992,054	10,128,471
Employee Benefits	6,015,411	6,166,315	5,649,265
Total Expenditures	<u>\$ 23,840,652</u>	<u>\$ 24,408,085</u>	<u>\$ 18,985,563</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (885,931)</u>	<u>\$ (1,453,364)</u>	<u>\$ 3,977,141</u>
Other Financing Sources (Uses):			
Operating Transfers In	900,992	900,992	900,992
Operating Transfers Out	(6,832,678)	(8,832,678)	(8,832,678)
Total Other Financing	<u>\$ (5,931,686)</u>	<u>\$ (7,931,686)</u>	<u>\$ (7,931,686)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(6,817,617)</u>	<u>(9,385,050)</u>	<u>(3,954,545)</u>
<u>FUND BALANCE</u>			
Fund Balance - Beginning of Year	6,817,617	9,385,050	12,664,322
Prior Period Adjustments (net)	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,709,777</u>

Source: 2024 audited financial report of the Town. This Appendix is not itself audited.

HIGHWAY FUND

Summary of Budgeted Revenues and Expenditures

Fiscal Years Ending	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
	Adopted	Adopted	Adopted	Adopted	Adopted
	Budget	Budget	Budget	Budget	Budget
<u>REVENUES AND FUND BALANCE</u>					
Property Taxes	\$ 20,711,807	\$ 21,450,517	\$ 18,666,436	\$ 18,339,503	\$ 18,330,005
Real Property Tax Items	1,708,898	1,720,097	1,827,263	1,572,886	1,750,591
LIPA Settlement	-	-	254,538	170,752	186,550
Other Revenue	738,301	824,499	715,001	997,000	875,480
Consolidated Highway Aid	888,855	1,380,667	1,491,483	1,489,394	1,583,507
Interfund Transfers	1,141,330	624,210	900,992	1,023,817	1,197,509
Appropriated Fund Balance	1,370,000	4,565,492	6,817,617	4,461,075	4,703,105
Total Revenues	<u>\$ 26,559,191</u>	<u>\$ 30,565,482</u>	<u>\$ 30,673,330</u>	<u>\$ 28,054,427</u>	<u>\$ 28,626,747</u>
<u>EXPENDITURES</u>					
Highway Administration	\$ 553,064	\$ 623,738	\$ 528,570	\$ 533,573	\$ 553,256
Highway General Repairs	1,361,500	2,411,000	2,411,000	1,458,500	1,481,600
Highway Improvements	242,775	3,471,000	3,471,000	221,000	220,000
Sign Shop	562,000	551,393	550,180	537,207	731,430
Traffic Safety	73,984	77,968	79,558	78,607	80,000
Snow Removal	1,137,500	1,115,000	1,082,000	1,092,000	1,120,000
Highway Yards	4,461,371	4,513,567	4,494,117	4,961,967	4,441,697
Public Works Building	361,517	333,021	334,487	272,581	378,637
Public Works General Maintenance	298,034	304,253	294,471	256,633	258,212
Public Works - Vehicle Repair Facility	1,007,176	1,030,753	1,047,385	1,241,648	1,512,147
Highway - Other Transportation	3,864,554	3,814,424	3,532,472	3,693,375	3,861,666
Highway - Employee Benefits	5,664,235	5,732,971	6,015,412	6,788,450	6,634,161
Highway Indebtedness	6,936,481	6,551,394	6,797,678	6,883,886	7,318,941
Highway - Interfund Transfer (Other)	35,000	35,000	35,000	35,000	35,000
Total Expenditures	<u>\$ 26,559,191</u>	<u>\$ 30,565,482</u>	<u>\$ 30,673,330</u>	<u>\$ 28,054,427</u>	<u>\$ 28,626,747</u>

Source: Adopted budgets (unaudited) of the Town. This Appendix is not itself audited.

TOWN OPERATED SPECIAL DISTRICTS

Balance Sheets

Fiscal Years Ending	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>ASSETS</u>					
Cash and Equivalents	\$ 5,856,741	\$ 5,510,759	\$ 8,531,666	\$ 12,545,740	\$ 12,353,938
Investments - LOSAP	8,406,429	9,245,097	8,251,403	8,755,178	9,842,142
Accounts Receivable, Net of Allowances	49,128	46,004	42,282	54,900	83,804
State and Federal Aid Receivables	1,086	-	-	-	-
Due from Other Governments	210,755	-	3,183	3,183	-
Due from Other Funds		18,257	56,473	38,000	38,000
Prepaid Expenditures	79,494	86,029	76,108	135,985	167,660
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 14,603,633</u>	<u>\$ 14,906,146</u>	<u>\$ 16,961,115</u>	<u>\$ 21,532,986</u>	<u>\$ 22,485,544</u>
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 869,479	\$ 496,181	\$ 578,178	\$ 1,235,401	\$ 716,335
Service Award Program Payable	-	-	-	-	-
Deposits Payable	353,208	380,766	398,664	370,954	346,101
Due to Other Funds	2,056,865	1,963,519	1,689,089	3,412	5,259
Unearned revenue	5,165	22,086	19,877	6,616	8,869
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>\$ 3,284,717</u>	<u>\$ 2,862,552</u>	<u>\$ 2,685,808</u>	<u>\$ 1,616,383</u>	<u>\$ 1,076,564</u>
Deferred Inflows of Resources					
Unavailable Revenue, PILOT	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND EQUITY</u>					
Nonspendable	\$ 79,494	\$ 86,029	\$ 76,108	\$ 135,985	\$ 167,660
Restricted	(1,552,905)	9,245,097	8,251,403	8,755,178	9,842,142
Assigned	8,406,429	4,073,935	5,947,796	11,025,440	11,399,178
Unassigned	4,385,898	(1,361,467)	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND EQUITY	<u>\$ 11,318,916</u>	<u>\$ 12,043,594</u>	<u>\$ 14,275,307</u>	<u>\$ 19,916,603</u>	<u>\$ 21,408,980</u>
TOTAL LIABILITIES and FUND EQUITY	<u>\$ 14,603,633</u>	<u>\$ 14,906,146</u>	<u>\$ 16,961,115</u>	<u>\$ 21,532,986</u>	<u>\$ 22,485,544</u>

Source: Audited financial reports of the Town. This Appendix is not itself audited.

TOWN OPERATED SPECIAL DISTRICTS

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUES					
Real Property Taxes	\$ 24,337,533	\$ 24,689,996	\$ 25,309,699	\$ 25,849,295	\$ 24,727,577
Other Real Property Tax Items	1,461,235	1,343,762	1,431,475	1,522,703	1,699,442
Departmental Income	304,956	814,921	1,138,296	1,277,945	1,356,910
Use of Money & Property	655,463	775,769	(1,057,404)	966,733	1,249,095
Sale of Property and			-	-	-
Compensation for Loss	-	-	-	-	-
Miscellaneous	(70,480)	39,197	1,941,266	1,843,663	1,847,467
Interfund Revenues	80,730	106,494	68,060	60,000	89,967
Revenues from State & Federal Sources	10,860	-	67,129	-	-
Total Revenues	<u>\$ 26,780,297</u>	<u>\$ 27,770,139</u>	<u>\$ 28,898,521</u>	<u>\$ 31,520,339</u>	<u>\$ 30,970,458</u>
EXPENDITURES					
General Government Support	\$ 1,747,153	\$ 1,818,609	\$ 1,861,117	\$ 1,738,433	\$ 1,855,687
Public Safety	6,801,339	7,134,275	7,351,977	7,918,553	8,242,390
Transportation	3,660,494	3,779,338	3,648,873	3,804,999	4,007,485
Culture and Recreation	1,015,230	1,292,805	1,298,051	1,277,188	1,335,248
Home and Community Services	9,189,674	9,356,369	9,568,494	9,497,807	9,852,682
Employee Benefits	1,051,282	1,099,467	1,170,565	1,239,805	1,347,979
Total Expenditures	<u>\$ 23,465,172</u>	<u>\$ 24,480,863</u>	<u>\$ 24,899,077</u>	<u>\$ 25,476,785</u>	<u>\$ 26,641,471</u>
Excess of Revenues Over (Under)					
Expenditures	<u>\$ 3,315,125</u>	<u>\$ 3,289,276</u>	<u>\$ 3,999,444</u>	<u>\$ 6,043,554</u>	<u>\$ 4,328,987</u>
Other Financing Sources (Uses):					
Operating Transfers In	855,623	314,939	1,132,763	2,475,682	115,933
Operating Transfers Out	<u>(3,284,460)</u>	<u>(2,879,537)</u>	<u>(2,900,494)</u>	<u>(2,877,940)</u>	<u>(2,952,543)</u>
Total Other Financing	<u>\$ (2,428,837)</u>	<u>\$ (2,564,598)</u>	<u>\$ (1,767,731)</u>	<u>\$ (402,258)</u>	<u>\$ (2,836,610)</u>
Excess of Revenues and Other					
Sources Over (Under) Expenditures					
and Other Uses	<u>886,288</u>	<u>724,678</u>	<u>2,231,713</u>	<u>5,641,296</u>	<u>1,492,377</u>
FUND BALANCE					
Fund Balance - Beginning of Year	10,432,628	11,318,916	12,043,594	14,275,307	19,916,603
Prior Period Adjustments (net)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u><u>\$ 11,318,916</u></u>	<u><u>\$ 12,043,594</u></u>	<u><u>\$ 14,275,307</u></u>	<u><u>\$ 19,916,603</u></u>	<u><u>\$ 21,408,980</u></u>

Source: Audited financial reports of the Town. This Appendix is not itself audited.

TOWN OPERATED SPECIAL DISTRICTS

Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Fiscal Years Ending	2024		
	Original <u>Budget</u>	Final <u>Budget</u>	Audited <u>Actual</u>
<u>REVENUES</u>			
Real Property Taxes	\$ 24,726,590	\$ 24,726,590	\$ 24,727,577
Other Real Property Tax Items	1,578,689	1,532,627	1,699,442
Departmental Income	1,245,000	1,245,000	1,356,910
Use of Money & Property	34,203	34,203	1,249,095
Sale of Property and Compensation for Loss	-	-	-
Miscellaneous	1,794,473	1,799,473	1,847,467
Interfund Revenues	60,500	60,500	89,967
Revenues from State & Federal Sources	-	-	-
Total Revenues	<u>\$ 29,439,455</u>	<u>\$ 29,398,393</u>	<u>\$ 30,970,458</u>
<u>EXPENDITURES</u>			
General Government Support	\$ 1,947,252	\$ 1,949,296	\$ 1,855,687
Public Safety	8,340,595	8,389,542	8,242,390
Transportation	4,151,576	4,341,229	4,007,485
Culture and Recreation	1,391,001	1,389,249	1,335,248
Home and Community Services	9,855,801	9,855,862	9,852,682
Employee Benefits	1,493,660	1,495,887	1,347,979
Total Expenditures	<u>\$ 27,179,885</u>	<u>\$ 27,421,065</u>	<u>\$ 26,641,471</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 2,259,570</u>	<u>\$ 1,977,328</u>	<u>\$ 4,328,987</u>
Other Financing Sources (Uses):			
Operating Transfers In	112,193	115,934	115,933
Operating Transfers Out	<u>(2,888,127)</u>	<u>(2,952,548)</u>	<u>(2,952,543)</u>
Total Other Financing	<u>\$ (2,775,934)</u>	<u>\$ (2,836,614)</u>	<u>\$ (2,836,610)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(516,364)</u>	<u>(859,286)</u>	<u>1,492,377</u>
<u>FUND BALANCE</u>			
Fund Balance - Beginning of Year	516,364	859,286	19,916,603
Prior Period Adjustments (net)	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 21,408,980</u></u>

Source: 2024 audited financial report of the Town. This Appendix is not itself audited.

TOWN AND COMMISSIONER OPERATED SPECIAL DISTRICTS

Summary of Budgeted Revenues and Expenditures

Fiscal Years Ending	<u>2022</u> Adopted Budget	<u>2023</u> Adopted Budget	<u>2024</u> Adopted Budget	<u>2025</u> Adopted Budget	<u>2026</u> Adopted Budget
<u>REVENUES AND FUND BALANCE</u>					
Property Taxes ⁽¹⁾	\$ 129,985,757	\$ 134,431,739	\$ 136,827,283	\$ 143,163,657	\$ 146,469,903
Other Revenues	44,519,182	46,837,645	54,756,242	60,267,512	64,267,269
Appropriated Fund Balance	3,382,960	3,688,387	2,934,934	3,559,738	3,855,148
Total Revenues	<u>\$ 177,887,899</u>	<u>\$ 184,957,771</u>	<u>\$ 194,518,459</u>	<u>\$ 206,990,907</u>	<u>\$ 214,592,320</u>
<u>EXPENDITURES</u>					
Business Improvement District	\$ 227,821	\$ 232,872	\$ 240,913	\$ 259,905	\$ 256,379
Fire Protection Districts	29,794,024	30,634,018	31,795,750	33,162,374	34,608,312
Garbage Districts	14,005,102	13,977,897	14,098,217	14,886,535	15,169,003
Library and Library Funding Districts	7,619,845	7,473,924	7,533,111	7,555,883	7,641,575
Lighting District	2,404,103	2,510,790	2,721,102	2,275,180	2,403,923
Park Districts	24,520,801	25,654,768	25,700,141	26,590,516	26,832,235
Police District	24,902,408	25,075,868	25,988,053	27,789,110	28,419,053
Parking District	1,233,482	1,390,096	1,625,781	1,766,821	1,687,104
Water Pollution Control Districts	23,873,892	26,175,018	29,057,057	31,031,558	32,746,912
Sidewalk District	3,104,694	2,957,373	3,168,772	3,319,759	3,387,851
Water Districts	46,201,727	48,875,147	52,589,562	58,353,266	61,439,973
Total Expenditures	<u>\$ 177,887,899</u>	<u>\$ 184,957,771</u>	<u>\$ 194,518,459</u>	<u>\$ 206,990,907</u>	<u>\$ 214,592,320</u>

⁽¹⁾ Includes total taxes levied by both the Town of North Hempstead and the Town of Oyster Bay for the Gold Coast Library District, together with the total shared revenues and expenses. For the 2026 budget, the Town of North Hempstead collects \$118,057 out of the total \$1,855,400 levied for the Gold Cost Library District.

APPENDIX - B
Town of North Hempstead

BONDED DEBT SERVICE

Fiscal Year Ending December 31st	Excluding the Series A Bonds to be Issued			Principal & Interest of the Series A Bonds	Principal & Interest of the Series B Bonds	Total Debt Service
	Principal	Interest	Total			
2026	\$ 26,508,253	\$ 11,010,803	\$ 37,519,056	\$ -	\$ -	\$ 37,519,056
2027	25,979,870	9,879,867	35,859,737	-	-	35,859,737
2028	25,624,870	9,083,555	34,708,425	-	-	34,708,425
2029	26,404,870	8,294,723	34,699,593	-	-	34,699,593
2030	27,159,871	7,500,274	34,660,145	-	-	34,660,145
2031	25,964,870	6,707,810	32,672,680	-	-	32,672,680
2032	26,509,870	5,962,551	32,472,421	-	-	32,472,421
2033	23,169,870	5,326,530	28,496,400	-	-	28,496,400
2034	21,124,870	4,702,232	25,827,102	-	-	25,827,102
2035	18,649,870	4,095,985	22,745,855	-	-	22,745,855
2036	18,874,870	3,536,469	22,411,339	-	-	22,411,339
2037	16,004,870	3,040,362	19,045,232	-	-	19,045,232
2038	14,489,870	2,599,864	17,089,734	-	-	17,089,734
2039	13,799,870	2,194,172	15,994,042	-	-	15,994,042
2040	9,954,870	1,921,479	11,876,349	-	-	11,876,349
2041	9,374,870	1,659,007	11,033,877	-	-	11,033,877
2042	9,029,870	1,421,513	10,451,383	-	-	10,451,383
2043	6,564,870	1,219,077	7,783,947	-	-	7,783,947
2044	5,239,870	1,045,392	6,285,262	-	-	6,285,262
2045	5,364,870	895,388	6,260,258	-	-	6,260,258
2046	5,446,970	740,055	6,187,025	-	-	6,187,025
2047	4,696,970	577,834	5,274,804	-	-	5,274,804
2048	3,546,970	449,034	3,996,004	-	-	3,996,004
2049	3,626,970	351,884	3,978,854	-	-	3,978,854
2050	2,981,970	252,184	3,234,154	-	-	3,234,154
2051	1,666,970	169,944	1,836,914	-	-	1,836,914
2052	1,711,970	114,772	1,826,742	-	-	1,826,742
2053	1,230,000	57,800	1,287,800	-	-	1,287,800
2054	215,000	8,600	223,600	-	-	223,600
TOTALS	\$ 380,919,574	\$ 94,819,160	\$ 475,738,734	\$ -	\$ -	\$ 475,738,734

Note: This Appendix is not itself audited.

FORM OF UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE FOR THE BONDS

Section 1. Definitions

“Annual Information” shall mean the information specified in Section 3 hereof.

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

“Financial Obligation” shall mean “financial obligation” as such term is defined in the Rule.

“GAAP” shall mean generally accepted accounting principles as in effect from time to time in the United States.

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

“Issuer” shall mean the **Town of North Hempstead**, in the County of Nassau, a municipal corporation of the State of New York.

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

“Municipal Advisor” shall mean Fiscal Advisors & Marketing, Inc., 250 South Clinton Street, Suite 502, Syracuse, New York 13202, or another nationally recognized municipal advisory firm.

“Purchaser” shall mean the financial institution referred to in the Certificate of Award, executed by the Supervisor as of March 5, 2026.

“Rule” shall mean Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as amended, as in effect on the date of this Undertaking, including any official interpretations thereof issued either before or after the effective date of this Undertaking which are applicable to this Undertaking.

“Securities” shall mean the Issuer’s **\$14,435,926 Public Improvement Serial Bonds-2026 Series A**, dated March 19, 2026, maturing in various principal amounts on March 15 in each of the years 2027 to 2041, inclusive, and delivered on the date hereof and **\$1,895,020 General Obligation Serial Bonds-2026 Series B (Federally Taxable)**, dated March 19, 2026, maturing in various principal amounts on March 15 in each of the years 2027 to 2036, inclusive, and delivered on the date hereof.

Section 2. Obligation to Provide Continuing Disclosure. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided either directly or through its Municipal Advisor to the EMMA System:

- (i) (A) no later than six (6) months after the end of each fiscal year, commencing with the fiscal year ending December 31, 2026, the Annual Information relating to such fiscal year, and (B) no later than six (6) months after the end of each fiscal year, commencing with the fiscal year ending December 31, 2026, the audited financial statements of the Issuer for each fiscal year, if audited financial statements are prepared by the Issuer and then available; provided, however, that if audited financial statements are not prepared or are not then available, unaudited financial statements shall be provided and audited financial statements, if any, shall be delivered to the EMMA System within sixty (60) days after they become available and in no event later than one (1) year after the end of each fiscal year; provided further, however, that the unaudited financial statement shall be provided for any fiscal year only if the Issuer has made a determination that providing such unaudited financial statement would be compliant with federal securities laws, including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17 (a)(2) of the Securities Act of 1933; and

- (ii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of any of the following events with respect to the Securities:
- (1) principal and interest payment delinquencies;
 - (2) non-payment related defaults, if material;
 - (3) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (4) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (5) substitution of credit or liquidity providers, or their failure to perform;
 - (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Securities, or other events affecting the tax status of the Securities;
 - (7) modifications to rights of Securities holders, if material;
 - (8) Bond calls, if material, and tender offers;
 - (9) defeasances;
 - (10) release, substitution, or sale of property securing repayment of the Securities, if material;
 - (11) rating changes;
 - (12) bankruptcy, insolvency, receivership or similar event of the Issuer;

Note to clause (12): For the purposes of the event identified in clause (12) 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 Issuer 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 Issuer, 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 Issuer;
 - (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - (14) appointment of a successor or additional trustee or the change of name of a trustee, if material;
 - (15) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
 - (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

- (iii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of a failure to provide by the date set forth in Section 2(a)(i) hereof any Annual Information required by Section 3 hereof.

(b) Nothing herein shall be deemed to prevent the Issuer from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If the Issuer disseminates any such additional information, the Issuer shall have no obligation to update such information or include it in any future materials disseminated hereunder.

(c) Nothing herein shall be deemed to prevent the Issuer from providing notice of the occurrence of certain other events, in addition to those listed above, if the Issuer determines that any such other event is material with respect to the Securities; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

Section 3. Annual Information. (a) The required Annual Information shall consist of the financial information and operating data for the preceding fiscal year, in a form generally consistent with the information contained or cross-referenced in the Issuer's final official statement relating to the Securities under the headings "THE TOWN OF NORTH HEMPSTEAD," "FINANCIAL FACTORS," "TAX INFORMATION," "TOWN INDEBTEDNESS," AND "LITIGATION," AND APPENDIX A.

(b) All or any portion of the Annual Information may be incorporated in the Annual Information by cross reference to any other documents which are (i) available to the public on the EMMA System or (ii) filed with the SEC. If such a document is a final official statement, it also must be available from the EMMA System.

(c) Annual Information for any fiscal year containing any modified operating data or financial information (as contemplated by Section 7(e) hereof) for such fiscal year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such modification, such Annual Information shall present a comparison between the financial statements or information prepared on the basis of the modified accounting principles and those prepared on the basis of the former accounting principles.

Section 4. Financial Statements. The Issuer's annual financial statements for each fiscal year, if prepared, shall be prepared in accordance with GAAP or New York State regulatory requirements as in effect from time to time. Such financial statements, if prepared, shall be audited by an independent accounting firm. The Issuer's Annual Financial Report Update Document prepared by the Issuer and filed annually with New York State in accordance with applicable law, shall not be subject to the foregoing requirements.

Section 5. Remedies. If the Issuer shall fail to comply with any provision of this Undertaking, then any Holder of Securities may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Undertaking against the Issuer and any of the officers, agents and employees of the Issuer, and may compel the Issuer or any such officers, agents or employees to perform and carry out their duties under this Undertaking; provided that the sole and exclusive remedy for breach of this Undertaking shall be an action to compel specific performance of the obligations of the Issuer hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances. Failure to comply with any provision of this Undertaking shall not constitute an event of default on the Securities.

Section 6. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with paragraph (b)(5) of the Rule and is delivered for the benefit of the Holders. No other person shall have any right to enforce the provisions hereof or any other rights hereunder.

Section 7. Amendments. Without the consent of any holders of Securities, the Issuer at any time and from time to time may enter into any amendments or changes to this Undertaking for any of the following purposes:

- (a) to comply with or conform to any changes in Rule 15c2-12 (whether required or optional);
- (b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;
- (c) to evidence the succession of another person to the Issuer and the assumption of any such successor of the duties of the Issuer hereunder;

- (d) to add to the duties of the Issuer for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuer;
- (e) to modify the contents, presentation and format of the Annual Information from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the Issuer or to reflect changes in the identity, nature or status of the Issuer or in the business, structure or operations of the Issuer or any mergers, consolidations, acquisitions or dispositions made by or affecting any such person; provided that any such modifications shall comply with the requirements of Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such modification; or
- (f) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change;

provided that no such action pursuant to this Section 7 shall adversely affect the interests of the Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

Section 8. Termination. This Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Securities shall have been paid in full or the Securities shall have otherwise been paid or legally defeased pursuant to their terms. Upon any such legal defeasance, the Issuer shall provide notice of such defeasance to the EMMA System. Such notice shall state whether the Securities have been defeased to maturity or to redemption and the timing of such maturity or redemption.

In addition, this Agreement, or any provision hereof, shall be null and void in the event that those portions of the Rule which require this Agreement, or such provision, as the case may be, do not or no longer apply to the Securities, whether because such portions of the Rule are invalid, have been repealed, or otherwise.

Section 9. Undertaking to Constitute Written Agreement or Contract. This Undertaking shall constitute the written agreement or contract for the benefit of Holders of Securities, as contemplated under Rule 15c2-12.

Section 10. Governing Law. This Undertaking shall be governed by the laws of the State of New York determined without regard to principles of conflict of law.

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of March 19, 2026.

TOWN OF NORTH HEMPSTEAD

By _____
Supervisor and Chief Fiscal Officer

FORM OF CERTIFICATE TO PROVIDE NOTICES OF EVENTS FOR THE NOTES

Section 1. Definitions

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

“Financial Obligation” shall mean “financial obligation” as such term is defined in the Rule.

“GAAP” shall mean generally accepted accounting principles as in effect from time to time in the United States.

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

“Issuer” shall mean the Town of North Hempstead, in the County of Nassau, a municipal corporation of the State of New York.

“MSRB” shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Purchaser(s)” shall mean the financial institution(s) referred to in the Certificate of Determination, executed by the Supervisor as of March 19, 2026.

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

“Securities” shall mean the Issuer’s \$101,918,557 Bond Anticipation Note-2026 Series A, dated March 19, 2026, and maturing on March 19, 2027, and delivered on the date hereof.

Section 2. Obligation to Provide Notices of Events. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided either directly or through **Fiscal Advisors & Marketing, Inc., 250 South Clinton Street, Suite 502, Syracuse, New York 13202** 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 or to the functions of such Board contemplated by the Undertaking, in a timely manner, not in excess of ten (10) business days after the occurrence of any such event, notice of any of the following events with respect to the Securities:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;
- (7) modifications to rights of Securities holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) defeasances;

- (10) release, substitution, or sale of property securing repayment of the Securities, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Issuer;

Note to clause (12): For the purposes of the event identified in clause (12) 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 Issuer 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 Issuer, 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 Issuer;

- (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(b) Nothing herein shall be deemed to prevent the Issuer from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If the Issuer disseminates any such additional information, the Issuer shall have no obligation to update such information or include it in any future materials disseminated hereunder.

(c) Nothing herein shall be deemed to prevent the Issuer from providing notice of the occurrence of certain other events, in addition to those listed above, if the Issuer determines that any such other event is material with respect to the Securities; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

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

Section 4. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with (b)(5) of the Rule and is delivered for the benefit of the Holders. No other person shall have any right to enforce the provisions hereof or any other rights hereunder.

Section 5. Amendments. Without the consent of any holders of Securities, the Issuer at any time and from time to time may enter into any amendments or changes to this Undertaking for any of the following purposes:

- (a) to comply with or conform to any changes in Rule 15c2-12 (whether required or optional);
- (b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;
- (c) to evidence the succession of another person to the Issuer and the assumption of any such successor of the duties of the Issuer hereunder;
- (d) to add to the duties of the Issuer for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuer;
- (e) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change;

provided that no such action pursuant to this Section 5 shall adversely affect the interests of the Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

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

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

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

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of March 19, 2026.

TOWN OF NORTH HEMPSTEAD

By _____
Supervisor and Chief Fiscal Officer

FORM OF BOND COUNSEL OPINION – THE SERIES A BONDS

Hawkins Delafield & Wood LLP
140 Broadway – 42nd Floor
New York, New York 10005

March __, 2026

The Town Board of the
Town of North Hempstead, in the
County of Nassau, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Town of North Hempstead (the “Town”), in the County of Nassau, New York, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the \$14,435,926 Public Improvement Serial Bonds-2026 Series A (the “Series A Bonds”), dated and delivered on the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof.

Concurrently with the issuance of the Series A Bonds, the Town is issuing its \$101,918,557 Bond Anticipation Notes–2026 Series A (the “Notes”). The Series A Bonds are treated, together with the Notes, as a single issue for federal tax purposes. We have served as Bond Counsel with respect to the issuance of the Notes. On the date hereof, we have rendered our opinion with respect to the exclusion of interest on the Notes from gross income for Federal income tax purposes subject to the same conditions and limitations set forth herein. Noncompliance with such conditions and limitations may cause interest on the Series A Bonds and the Notes to become subject to Federal income taxation retroactive to the date of issue thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Series A Bonds are valid and legally binding general obligations of the Town for which the Town has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the Town is subject to the levy of ad valorem real estate taxes to pay the Series A Bonds and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Series A Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted.

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Series A Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Series A Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Series A Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

The Code establishes certain requirements which must be met subsequent to the issuance of the Series A Bonds in order that the interest on the Series A Bonds be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Series A Bonds, restrictions on the investment of proceeds of the Series A Bonds prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Series A Bonds to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of issuance of the Series A Bonds, the Town will execute a Tax Certificate relating to the Series A Bonds containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the Town represents that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that the interest on the Series A Bonds will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 2, we have relied upon and assumed (i) the material accuracy of the Town's representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of the interest on the Series A Bonds, and (ii) compliance by the Town with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Series A Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

Except as stated above, we express no opinion as to any other federal, state or local tax consequences arising with respect to the Series A Bonds or the ownership or disposition thereof. We render our opinion under existing statutes and court decisions as of the date hereof, and we assume no obligation to update, revise or supplement this opinion to reflect any action hereafter taken or not taken, for any facts or circumstances that may hereafter come to our attention, for any changes in law or in interpretations thereof that may hereafter occur or for any other reason. We express no opinion as to the consequence of any change in law or interpretation thereof, or otherwise, that may hereafter be enacted, arise or occur, and we note that such changes may take place or be proposed from time to time. We express no opinion on the effect of any action hereafter taken or not taken in reliance upon an opinion of other counsel as to the exclusion from gross income for federal income tax purposes of interest on the Series A Bonds, or under state and local tax laws.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement relating to the Series A Bonds or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the Town, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Series A Bonds.

Very truly yours,

/s/ Hawkins Delafield & Wood LLP

FORM OF BOND COUNSEL OPINION – THE SERIES B BONDS

Hawkins Delafield & Wood LLP
140 Broadway – 42nd Floor
New York, New York 10005

March __, 2026

The Town Board of the
Town of North Hempstead, in the
County of Nassau, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Town of North Hempstead (the “Town”), in the County of Nassau, New York, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the \$1,895,020* General Obligation Serial Bonds – 2026 Series B (Federally Taxable) (the “Series B Bonds”), dated and delivered on the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Series B Bonds are valid and legally binding general obligations of the Town for which the Town has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the Town is subject to the levy of ad valorem real estate taxes to pay the Series B Bonds and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Series B Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted.

2. Interest on the Series B Bonds is included in gross income for federal income tax purposes pursuant to the Code.

3. Under existing statutes, interest on the Series B Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Series B Bonds, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement relating to the Series B Bonds or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the Town, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Series B Bonds.

Very truly yours,

/s/ Hawkins Delafield & Wood LLP

FORM OF BOND COUNSEL OPINION – THE NOTES

Hawkins Delafield & Wood LLP
140 Broadway – 42nd Floor
New York, New York 10005

March __, 2026

The Town Board of the
Town of North Hempstead, in the
County of Nassau, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Town of North Hempstead (the “Town”), in the County of Nassau, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the \$101,918,557 Bond Anticipation Note-2026 Series A (the “Note”) of the Town, dated and delivered on the date hereof.

Concurrently with the issuance of the Notes, the Town is issuing its \$14,435,926 Public Improvement Serial Bonds-2026 Series A (the “Series A Bonds”). The Notes are treated, together with the Series A Bonds, as a single issue for federal tax purposes. We have served as Bond Counsel with respect to the issuance of the Series A Bonds. On the date hereof, we have rendered our opinion with respect to the exclusion of interest on the Series A Bonds from gross income for Federal income tax purposes subject to the same conditions and limitations set forth herein. Noncompliance with such conditions and limitations may cause interest on the Series A Bonds and the Notes to become subject to Federal income taxation retroactive to the date of issue thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof. Based upon and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Note is a valid and legally binding general obligation of the Town for which the Town has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the Town is subject to the levy of ad valorem real estate taxes to pay the Note and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Note may be limited by bankruptcy, insolvency, or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted.

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Note is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Note is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Note is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

The Code establishes certain requirements that must be met subsequent to the issuance of the Note in order that the interest on the Note be and remain excludable from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Note, restrictions on the investment of proceeds of the Note prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Note to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of issuance of the Note, the Town will execute a Tax Certificate relating to the Note containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the Town represents that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that the interest on the Note will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 2, we have relied upon and assumed (i) the material accuracy of the Town's representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of the interest on the Note, and (ii) compliance by the Town with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Note is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Note, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Note.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement relating to the Note or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the Town, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Note.

Very truly yours,

/s/ Hawkins Delafield & Wood LLP

TOWN OF NORTH HEMPSTEAD

AUDITED FINANCIAL REPORT
(The “Audit”)

For the Year Ended December 31, 2024

Can be accessed on the Electronic Municipal Market Access website of the Municipal Securities Rulemaking Board at the following link:

<https://emma.msrb.org/P11882358.pdf>

The Audit referenced above is hereby incorporated by reference into this Official Statement.

* Such Audit was prepared as of date thereof and has not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.