PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 17, 2026

NEW AND RENEWAL ISSUE | **BOND ANTICIPATION NOTES**

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 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 Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on 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 Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York. See "TAX MATTERS" herein.

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

$190,616,202*

TOWN OF NORTH HEMPSTEAD

NASSAU COUNTY, NEW YORK

GENERAL OBLIGATIONS

$190,616,202 Bond Anticipation Notes – 2026 Series B

(the "Notes")

Dated: September 17, 2026 | **Due: September 17, 2027**

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 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).

The Notes are dated September 17, 2026 and will mature, without the option of prior redemption, on September 17, 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 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 Notes in definitive form will be made on or about September 17, 2026.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on August 26, 2026 until 10:30 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 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 agreement to provide continuing disclosure as described in the Rule, see "CONTINUING DISCLOSURE" herein.

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* 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

LUIGI DEVITO
Comptroller

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 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:

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

PRELIMINARY OFFICIAL STATEMENT

OF THE

TOWN OF NORTH HEMPSTEAD
NASSAU COUNTY, NEW YORK

RELATING TO

$190,616,202 Bond Anticipation Notes – 2026 Series B

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 $190,616,202 Bond Anticipation Notes – 2026 Series B (referred to herein as the "Notes").

The factors affecting the Town's financial condition and the Notes are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the Town'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 Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Notes and such proceedings.

NATURE OF THE OBLIGATION

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

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 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 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).

THE NOTES

Description of the Notes

The Notes are dated September 17, 2026 and mature, without the option of prior redemption, on September 17, 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 and Fiscal Agent for any Notes issued in book-entry form and the purchaser(s) will serve as paying agent and fiscal 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.

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* Preliminary, subject to change.

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 $141,479,820, together with $1,221,083 in available funds of the Town, will be used to redeem $142,700,903 Bond Anticipation Notes – 2025 Series B at maturity. The remaining portion of the proceeds from the sale of the Notes in the amount of $49,136,382 will provide original or additional original financing for certain purposes as outlined below.

Resolution Number	Purpose	Amount Outstanding	Principal Paydown	New Money	Amount of the Notes
369-2019	Increase and Improvement of Facilities Port Washington Water District	$ 1,980,000	$ 25,000	$ -	$ 1,955,000
417-2021	Increase and Improvement of Facilities Port Washington Water District	7,920,000	85,000	-	7,835,000
417-2021	Increase and Improvement of Facilities Port Washington Water District	8,500,000	90,000	-	8,410,000
381-2024	Increase and Improvement of Facilities Port Washington Water District	5,000,000	45,000	-	4,955,000
381-2024	Increase and Improvement of Facilities Port Washington Water District	-	-	3,000,000	3,000,000
66-2021	Increase and Improvement of Facilities Roslyn Water District	3,960,000	40,000	-	3,920,000
116-2014	Increase and Improvement of Facilities Roslyn Water District	4,199,820	70,000	-	4,129,820
66-2021	Increase and Improvement of Facilities Roslyn Water District	1,500,000	-		1,500,000
502-2020	Increase and Improvement of Facilities Garden City Park Water District	1,960,000	20,000	-	1,940,000
502-2020	Increase and Improvement of Facilities Garden City Park Water District	2,475,000	25,000	-	2,450,000
502-2020	Increase and Improvement of Facilities Garden City Park Water District	500,000	5,000	-	495,000
502-2020	Increase and Improvement of Facilities Garden City Park Water District	-	-	500,000	500,000
209-2020	Increase and Improvement of Facilities Westbury Water District	4,047,000	47,000	-	4,000,000
209-2020	Increase and Improvement of Facilities Westbury Water District	6,850,000	80,000	-	6,770,000
209-2020	Increase and Improvement of Facilities Westbury Water District	1,485,000	20,000	-	1,465,000
209-2020	Increase and Improvement of Facilities Westbury Water District	16,000,000	190,000	-	15,810,000
209-2020	Increase and Improvement of Facilities Westbury Water District	7,000,000	-	-	7,000,000
209-2020	Increase and Improvement of Facilities Westbury Water District	-	-	4,180,150	4,180,150
223-2026	Increase and Improvement of Facilities Westbury Water District	-	-	4,000,000	4,000,000
22-2020	Increase and Improvement of Facilities Albertson Water District	2,915,000	35,000		2,880,000
324-2024	Increase and Improvement of Facilities Albertson Water District	4,000,000	35,000		3,965,000
324-2024	Increase and Improvement of Facilities Albertson Water District	8,950,000	-		8,950,000
324-2024	Increase and Improvement of Facilities Albertson Water District	-	-	2,000,000	2,000,000
605-2025	Increase and Improvement of Facilities Albertson Water District	-	-	2,000,000	2,000,000
20-2021	Increase and Improvement of Carle Place Water District	4,950,000	55,000	-	4,895,000
20-2021	Increase and Improvement of Carle Place Water District	3,000,000	35,000	-	2,965,000
654-2023	Increase and Improvement of Port Washington Water Pollution Control District	1,000,000	10,000	-	990,000
654-2023	Increase and Improvement of Port Washington Water Pollution Control District	8,100,000	-	-	8,100,000
654-2023	Increase and Improvement of Port Washington Water Pollution Control District	-	-	4,000,000	4,000,000
598-2023	Increase and Improvement of Facilities of the Great Neck Water Pollution Control District	10,000,000	90,000	-	9,910,000
598-2023	Increase and Improvement of Facilities of the Great Neck Water Pollution Control District	10,000,000	-	-	10,000,000
597-2019	Increase and Improvement of Facilities of the Great Neck Water Pollution Control District	3,000,000	-	-	3,000,000
598-2023	Increase and Improvement of Facilities of the Great Neck Water Pollution Control District	-	-	15,000,000	15,000,000
314-2024	Construction of Parking Lot Improvements at Michael J. Tully Park	2,409,083	219,083	-	2,190,000
328-2024	Increase and improvements of facilities of the Port Washington Police District	11,000,000	-	-	11,000,000
328-2024	Increase and improvements of facilities of the Port Washington Police District	-	-	5,000,000	5,000,000
829-2016	Various Town Dock and Pier Reconstruction	-	-	9,456,232	9,456,232
		$ 142,700,903	$ 1,221,083	$ 49,136,382	$ 190,616,202

DESCRIPTION OF BOOK-ENTRY SYSTEM

If so elected, the Depository Trust Company ("DTC"), New York, New York, will act as securities depository for those Notes issued in book-entry form. 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.

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

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

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

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

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Town. The Town may discontinue the use of book-entry transfer through DTC (or a successor depository). Under such circumstances, in the event that a successor depository is not obtained, 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 NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE NOTES; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE TOWN WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON 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 NOTES.

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

Certificated Notes

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 Notes nor the proceedings with respect thereto, specifically provide any remedies which would be available to owners of the Notes should the Town default in the payment of principal of or interest on the Notes, nor do they contain any provisions for the appointment of a trustee to enforce the interests of the owners of the Notes upon the occurrence of any such default. 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 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 Notes, the owners of such 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 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 Notes and the proceedings with respect thereto all of which are included in the contract with the owners of 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 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 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 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 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 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 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 Notes.

If and when an owner of any of the Notes should elect to sell all or a part of 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 Notes. The market value of the Notes is dependent upon the ability of holder to potentially incur a capital loss if such 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 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 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 therefor. The Town's receipt of State aid may be delayed as a result of the State's failure to timely adopt its budget 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, 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 Notes, for income taxation purposes could have an adverse effect on the market value of 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 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 Notes.

An outbreak of disease or public health threat, similar to 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. Most actions against the Town are covered by insurance. 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.

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 in favor of plaintiff, but the appeal was unsuccessful. Due to interest running since the jury verdict and the cost of annuities required by the judgment, the Town owed in excess of $1,900,000. The Town was liable for the full amount as there was a failure to report the matter to the Town's excess insurer. The Town paid the judgment of $1.9 million in March 2026.

<u>Hillside Islamic Center, Inc. et al. v. The Town of North Hempstead</u>. Plaintiffs commenced an action in the United States District Court for the Eastern District of New York against the Town. The complaint alleged that the Town's denial of an application for an amended site plan violated the Religious Land Use and Institutionalized Persons Act ("RLUIPA") and US Constitution. Plaintiffs sought injunctive relief and damages. The Town has filed its answer. The Town successfully negotiated a settlement, which was incorporated into a consent order executed by the parties and signed by the judge. The Town agreed to grant the Hillside Islamic Center's ("HIC") amended site plan application subject to certain conditions. The Town also agreed to pay HIC $150,000 in damages and $400,000 in attorneys' fees to HIC's counsel.

TAX MATTERS

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 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 Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on 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 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 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 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 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 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 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 Notes in order that interest on 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 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 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 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 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 Notes.

Prospective owners of 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 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 Notes.

In general, the issue price for each maturity of 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 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 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 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 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 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 Notes under federal or state law or otherwise prevent beneficial owners of 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 Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding the foregoing matters.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the respective approving legal opinions of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel. The form of the opinion of Bond Counsel related to the Notes is attached hereto as "APPENDIX – D".

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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 (with the 2025 year as an exception with a one-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 DeSena was re-elected Supervisor of the Town at the general election for a one-year term on November 4, 2025 due to the Chapter 741 of the Laws of 2023 passed by New York State. Her term ends December 31, 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 following contains information on utilities pertaining to districts of the Town (and does not detail non-profit municipal or state public authorities):

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 recently been granted for the following projects:

- A new 1,693-s.f. restaurant in Greenvale.
- A new 1,205-s.f. restaurant in New Hyde Park.
- A new 1,000-s.f. restaurant in New Hyde Park.
- A new 2,669-s.f. restaurant in Greenvale.
- A new 1,410-s.f. building for use as a food retail in Port Washington.
- A new 3,445-s.f. veterinary office in Roslyn Heights.
- Redevelopment of a 0.44-acre site with a 1,439-square-foot coffee shop and drive-through in Westbury.
- Redevelopment of a 2.75-acre site with a mixed-use development including retail space, restaurants, public open space, and 38 residential units in Port Washington.

Zoning approvals are pending for the following projects:

- A new 6,350-s.f. tenant space for use as a physical therapist office and rehabilitation center in Carle Place.
- Conversion of 53,627 square feet of retail space into an indoor recreation facility within an existing 111,231-square-foot building on a 7.08-acre site in Westbury.
- Conversion of 1,260 square feet of office space into a residential unit located in Port Washington.
- Construction of a five-story, 150-unit senior multiple residence development with 5,000 square feet of retail space in Roslyn Heights.
- Redevelopment of a 0.29-acre gas station site with a new 1,250-square-foot convenience store and 12 fueling positions in New Hyde Park.

Construction Activity

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

Year	Number of Permits Issued
2022	5,509
2023	4,821
2024	4,721
2025	4,866
2026	3,425*

* Unaudited year-to-date through July 21, 2026.

Source: Town of North Hempstead Buildings Department.

Population Trends

	Town of North Hempstead	Nassau County	New York State
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
2025 (Estimated)	238,982	1,398,939	20,002,427

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.

	Per Capita Income			Median Household Income		
	2006-2010	2016-2020	2020-2024	2006-2010	2016-2020	2020-2024
Town of: North Hempstead	$ 51,663	$ 66,055	$ 78,685	$ 100,760	$ 154,724	$ 185,222
County of: Nassau	41,387	53,363	64,198	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 2006-2010, 2016-2020, 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.

Annual Averages

	2019	2020	2021	2022	2023	2024	2025
Town of North Hempstead	3.1%	7.5%	4.2%	2.7%	2.8%	3.0%	3.0%
Nassau County	3.4%	8.3%	4.7%	3.0%	3.1%	3.2%	3.3%
New York State	3.9%	9.8%	7.1%	4.3%	4.0%	4.2%	4.3%

2025-26 Monthly Figures

	2025				2026							
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Town of North Hempstead	3.3%	N/A	3.0%	2.8%	3.2%	3.5%	3.2%	3.0%	3.2%	3.2%	N/A	N/A
Nassau County	3.5%	N/A	3.2%	3.1%	3.5%	3.9%	3.5%	3.3%	3.5%	3.5%	N/A	N/A
New York State	4.7%	N/A	4.4%	4.3%	4.7%	5.2%	4.4%	4.2%	4.2%	4.4%	N/A	N/A

Note: Unemployment rates for the months of October 2025 are not available due to the federal government shutdown. Unemployment rates for the months of July and August of 2026 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.

Annual Average Labor Force (Data in Thousands)

	2019	2020	2021	2022	2023	2024	2025
Town of North Hempstead	117.3	114.7	115.0	116.9	118.7	118.5	119.2
Nassau County	703.2	691.1	689.2	699.6	709.8	707.9	712.6
New York State	9,862.8	9,569.5	9,592.0	9,682.2	9,849.9	9,928.1	10,009.0

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.

Name	Type of Product or Service	Number of Employees
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 July 24, 2026, the Town of North Hempstead employed 439 full-time workers. Additionally, the Town employed 432 part-time/seasonal employees, with most serving in various capacities in its Department of Parks and Recreation. Approximately 84% of the full-time employees are represented as follows:

Number of Employees	Union	Contract Expiration Date
368	Civil Service Employees Association ("CSEA")	12/31/2026 [(1)]

[(1)] Currently under negotiation.

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 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.

Effective October 1, 2026, the Tier 6 program's contribution rates will be adjusted to range from 3.00% to 5.75% instead of 3% to 6%, along with more earning ranges paying 3% compared to the prior plan's contribution rates.

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.

To mitigate 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 prepaid its 2025 ERS contribution in December 2024 and saved $40,329.

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

Year	ERS
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. The Town Board approved an additional incentive in June 2026. Participants data is not available as of the date of this Official Statement.

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, 2023, 2024 and 2025:

Beginning balance at January 1:	2023	2024	2025
	$ 132,604,181	$ 140,926,047	$ 151,034,631
Changes in Net OPEB Liability:			
Service cost	4,316,570	6,299,970	5,801,447
Interest	5,199,531	5,238,337	6,366,040
Differences between expected and actual experience	-	12,070,955	-
Changes in assumptions or other inputs	4,037,578	-	-
Changes in discount rate	-	(11,288,236)	(2,196,327)
Changes of benefit terms	-	3,937,699	-
Benefit payments	(5,231,813)	(6,150,141)	(5,974,370)
Net Changes	$ 8,321,866	$ 10,108,584	$ 3,996,790
Balance ending at December 31:	2023	2024	2025
	$ 140,926,047	$ 151,034,631	$ 155,031,421

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

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. Oen such legislative proposal 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 Notes are to be issued, is the Town Law and other applicable State laws.

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

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 2026, 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, 2025. The 2025 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 <u>and is not audited</u>, 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, 2021 through 2025.

Certificate of Achievement for Excellence in Financial Reporting

Every year from 2010 through 2021, and again in 2023 and 2024, the Town had 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, 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 audited figures, the Town's General Fund revenues and other sources were $94,507,917 and General Fund expenditures and other uses were $96,759,432. The General Fund recognized an operating deficit of $2,251,515 resulting in a cumulative General Fund balance of $38,359,904 as of December 31, 2024.

For the fiscal year ended December 31, 2025, based on audited figures, the Town's General Fund revenues and other sources were $87,626,446 and General Fund expenditures and other uses were $91,083,102. The General Fund recognized an operating deficit of $3,456,656 resulting in a cumulative General Fund balance of $34,903,248 as of December 31, 2025.

The Adopted Budget for the 2026 fiscal included no change from the prior year tax levy. The budgeted revenues and expenditures for fiscal year 2026 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, 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 audited figures, the Town's TOV fund revenues and other sources were $37,898,561 and TOV expenditures and other uses were $42,906,129. The TOV fund recognized an operating deficit of $5,007,568, resulting in a cumulative fund balance of $17,335,939 as of December 31, 2024.

For the fiscal year ended December 31, 2025, based on audited figures, the Town's TOV fund revenues and other sources were $40,355,537 and TOV expenditures and other uses were $42,401,403. The TOV fund recognized an operating deficit of $2,045,866, resulting in a cumulative fund balance of $15,290,073 as of December 31, 2025.

The Adopted Budget for the 2026 fiscal included no change from the prior year tax levy. The budgeted revenues and expenditures for 2026 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 2021-2025 fiscal years and amount budgeted for the 2026 fiscal year.

General Fund Revenues & Real Property Taxes

Fiscal Year	Total Revenues [1]	Real Property Taxes	Percentage Real Property Taxes to Total Revenues
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	82,422,237	20,253,910	24.6
2026 (Budgeted)	92,592,908	20,224,794	21.8

[1] General Fund, Townwide. Does not include interfund transfers.

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 2021 through 2025, and the 2026 adopted budget of the Town (unaudited). 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 2021 through 2025 along with the amounts budgeted for these revenues in the 2026 fiscal year.

General Fund Revenue, State Aid and Mortgage Tax

Fiscal Year	Total Revenues [(1)]	State Aid [(2)]	Mortgage Tax	Total State Aid & Mortgage Tax [(2)]	Percentage of Total Revenues Consisting of State Aid & Mortgage Tax
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	82,422,237	1,243,924	7,944,715	9,188,639	11.2
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.

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 2021 through 2025, and the 2026 adopted budget (unaudited) of the Town. Table itself is not audited.

Impacts of COVID-19

Initially in 2020, 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. 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 American Rescue Plan Act (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:
  - $750,000.00 to the Town's Department of Public Works for $750,000.00 for the construction and maintenance of a 911 Memorial located at Manhasset Valley Park, 461 Maple Street, Manhasset, NY 11030.
  - $1,329,723.00 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.
  - $450,000.00 to the Nassau County Council of Chambers of Commerce to disperse $50,000.00 grants to the nine (9) qualifying Chambers of Commerce that operate within jurisdictional boundaries of the Town; and
  - $315,000.00 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.
  - $1,005,000.00 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.

There have been no Office of the State Comptroller reports released within the past five years, nor are there any that are currently in progress or pending release at this time.

Note: Reference to websites implies no warranty of accuracy of information therein, nor incorporation herein.

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:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2024	No Designation	3.3
2023	No Designation	9.6
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. (See "Town of North Hempstead Solid Waste Management Authority.")

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:

Year	Subsidy Payments
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. (See "Town of North Hempstead Solid Waste Management Authority" and "Solid Waste Management System.")

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:	2022	2023	2024	2025	2026
Assessed Valuation	$ 101,454,832	$ 110,277,574	$ 116,503,951	$ 120,409,775	$ 120,570,024
New York State Equalization Rate (1)	0.15%	0.15%	0.14%	0.13%	0.13%
Full Valuation	$67,636,554,667	$73,518,196,667	$83,217,107,857	$92,622,903,846	$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:	2022	2023	2024	2025	2026
General Fund	$ 264.24	$ 230.95	$ 196.74	$ 167.97	$ 167.74

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

Tax Levy

Fiscal Years Ending December 31:	2022	2023	2024	2025	2026
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 2021-2026 fiscal years.

Real Property Tax Levies and Collection

Fiscal Year	Gross Tax Levy (1)	Taxes Collected	Percentage Current Taxes Collected (2)
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	416,955,720	409,698,739	98.3
2026 (3)	421,301,954	275,861,540	65.5

(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) Year to date actual through July 21, 2026.

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

Ten Larger Taxpayers – 2025 Assessment Roll for 2026 Town Tax Roll

The following table presents the taxable assessments of the Town's ten largest taxpayers for the 2025 Assessment Roll:

Name	Nature of Business	Assessed Valuation	% of Total Assessed Valuation [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:	$ 12,526,939	10.40%

(1) The total 2026 taxable assessed valuation of the Town is $120,570,024.

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 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.

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

(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 August 17, 2026.

Type of Indebtedness	Maturity	Amount
Bonds (1)	2026-2054	$ 381,003,298
Bond Anticipation Notes		
Various Town Projects	March 19, 2027	$ 101,918,557
Various Town Projects	September 18, 2026	142,700,903
	Total Indebtedness:	$ 625,622,758

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

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

Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of August 17, 2026:

Five-Year Average Full Valuation of Taxable Real Property			$81,948,187,069
Debt Limit – 7% thereof			5,736,373,095
Inclusions:			
Bonds [(1)]:			
General Purpose	$ 381,003,298		
	$ 381,003,298		
Bond Anticipation Notes:			
General Purpose	$ 244,619,460		
	$ 244,619,460		
Total Inclusions		$ 625,622,758	
Exclusions:			
Water – Bonds [(2)]	$ 85,035,327		
Water – Bond Anticipation Notes [(2)]	162,216,820		
Appropriations [(3)]	12,006,957		
Total Exclusions		$ 259,259,104	
Total Net Indebtedness Subject to Debt Limit			$ 366,363,654
Net Debt-Contracting Margin			$ 5,370,009,441
The percent of debt contracting power exhausted is			6.39%

(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 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:

Purpose	Dated Date	Maturity Date	Amount
Various Town Projects	September 18, 2025	September 18, 2026	$ 142,700,903 [(1)]
Various Town Projects	March 19, 2026	March 19, 2027	101,918,557 [(2)]
		Total Outstanding:	$ 244,619,460

(1) To be redeemed at maturity using available funds of the Town and proceeds of the Notes. See *"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 issued tax or revenue anticipation notes in any of the last five years, and has no plans of issuing any in such notes 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 June 30, 2026, the Town has authorized but unissued debt of $445,109,516 for the following purposes:

1) $97,892,768 for various Town purposes;
2) $20,229,632 for various Highway purposes;
3) $2,195,252 for various TOV purposes and;
4) $324,791,864 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.

	Status of Debt as of	Gross Indebtedness [1]	Town Share	Applicable to Town
Nassau County	12/31/2024	$ 3,724,842,162	25.81%	$ 961,288,844
Incorporated Villages (31)	5/31/2025	220,040,310	100.00%	220,040,310
Fire Districts (4)	12/31/2024	5,604,718	100.00%	5,604,718
School Districts (13)	6/30/2025	348,325,878	Various	184,646,234
				$ 1,371,580,106

[1] Outstanding bonds and bond anticipation notes of the respective municipality. Not adjusted to include subsequent issuances, if any, from the date of the status of indebtedness stated in the table above for each respective municipality.

Note: Gross indebtedness sourced from local government data provided by the State Comptroller's office. Information regarding excludable debt for municipalities, such as water debt, sewer debt and budgeted appropriations, to the extent such indebtedness may be applicable to the respective municipality, is not provided in the local government data the above table is sourced from.

Debt Ratios

The following table sets forth certain ratios relating to the Town's net indebtedness as of August 17, 2026.

	Amount	Per Capita [a]	Percentage of Full Value [b]
Gross Indebtedness [c]	$ 625,622,758	$ 2,617.87	0.67%
Net Indebtedness	366,363,654	1,533.02	0.40
Gross Indebtedness Plus Gross Overlapping Indebtedness [d]	1,997,202,864	8,357.13	2.15
Net Indebtedness Plus Gross Overlapping Indebtedness	1,737,943,760	7,272.28	1.87

[a] The 2025 estimated population of the Town is 238,982. (See "*THE TOWN – Population*" herein.)
[b] The Town full value of taxable real estate for its 2025 tax roll is $92,746,172,308. (See "*TAX INFORMATION*" herein.)
[c] See "Debt Statement Summary" herein.
[d] Estimated gross overlapping indebtedness is $1,371,580,106. (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:

CWSRF Project Number	Purpose	Date Originated [1]	CWSRF Financing Amount	Converted To Long Term	Final Maturity
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) 6/23/2026 (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
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 Notes, the Town will provide executed copies of its Undertaking to Provide Notices of Events with respect to the Notes substantially as set forth, respectively, in "APPENDIX – C" 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 Notes. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the Town and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Town or the information set forth in this Official Statement or any other information available to the Town warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the Town to Fiscal Advisors are partially contingent on the successful closing of the Notes.

CUSIP IDENTIFICATION NUMBERS

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

RATINGS

The Notes are NOT rated. Subject to the approval of the Town, the purchaser(s) of the Notes may choose to request that a rating be assigned after the sale pending the approval of the Town and applicable rating agency. Any such rating shall be at the expense of the purchaser(s), including any rating agency and other 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 – C", attached hereto).

Moody's Investors Service ("Moody's") assigned its rating of "Aaa" with a stable outlook to the Town's outstanding general obligation serial bonds.

On March 10, 2026, Moody's assigned its short-term rating of "MIG 1" to the Town's $101,918,557 Bond Anticipation Notes – 2026 Series A dated March 19, 2026.

These ratings reflect only the view of Moody's and any desired explanation of the significance of such rating should be obtained from Moody's Investors Service, 7 World Trade Center, 250 Greenwich Street, New York, New York 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 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 Notes.

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

Concurrently with the delivery of the Notes, 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 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. Phone: (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: August __, 2026
Manhasset, New York

JENNIFER S. DESENA
Town Supervisor & Chief Fiscal Officer

GENERAL FUND

Balance Sheets

Fiscal Years Ending	2021	2022	2023	2024	2025	
ASSETS						
Cash and Equivalents	$ 22,057,925	$ 34,664,863	$ 37,425,555	$ 31,698,688	$ 25,611,595	
Accounts Receivable	3,964,305	3,125,282	3,739,150	4,942,211	3,193,757	
State and Federal Aid Receivables	803,094	511,735	1,703,406	1,131,866	939,964	
Leases	-	-	-	1,156,316	1,111,832	
Public-private Partnership	-	-	-	-	14,526,032	
Due from Other Governments	6,035,565	5,561,720	4,986,544	5,260,223	9,258,787	
Due from Other Funds	4,261,021	5,964,477	7,798,617	10,285,960	9,223,885	
Inventory of Material and Supplies	322,304	424,085	373,444	250,318	181,741	
Prepaid Expenditures	1,143,764	1,108,075	1,799,487	1,793,216	2,028,555	
TOTAL ASSETS	$ 38,587,978	$ 51,360,237	$ 57,826,203	$ 56,518,798	$ 66,076,148	
LIABILITIES AND FUND EQUITY						
Accounts Payable & Accrued Liabilities	$ 3,590,704	$ 4,334,365	$ 4,441,746	$ 5,101,602	$ 5,581,933	
Due to other Governments	1,266,072	820,290	1,170,322	1,253,020	1,435,432	
Deposits Payable	1,024,826	1,135,149	1,180,155	1,075,919	934,399	
Due to other Funds	1,008,727	4,916	55,074	10,477	-	
Unearned Revenue	5,436,601	9,372,152	9,375,539	9,343,628	7,198,730	
Deferred Revenue	-	-	-	-	-	
TOTAL LIABILITIES	$ 12,326,930	$ 15,666,872	$ 16,222,836	$ 16,784,646	$ 15,150,494	
Deferred Inflows of Resources	$ 173,575	$ 173,575	$ 991,948	$ 1,374,248	$ 16,022,406	(1)
FUND EQUITY						
Nonspendable	$ 1,466,068	$ 1,532,160	$ 2,172,931	$ 2,083,728	$ 2,282,343	
Restricted	-	-	-	-	-	
Assigned	4,708,348	6,075,894	9,930,052	10,478,344	12,283,396	
Unassigned	19,913,057	27,911,736	28,508,436	25,797,832	20,337,509	
TOTAL FUND EQUITY	$ 26,087,473	$ 35,519,790	$ 40,611,419	$ 38,359,904	$ 34,903,248	
TOTAL LIABILITIES and FUND EQUITY	$ 38,587,978	$ 51,360,237	$ 57,826,203	$ 56,518,798	$ 66,076,148	

(1) Includes private-public partnership related deferred inflows.

Notes: 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.

Source: 2021-2025 Audited Financial Statements of the Town.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending	2021	2022	2023	2024	2025
REVENUES					
Real Property Taxes	$ 26,087,299	$ 26,844,647	$ 25,520,225	$ 22,950,414	$ 20,253,910
Other Real Property Tax Items	2,324,706	2,459,011	2,605,674	2,401,985	2,594,449
Non-Property Tax Items	16,240,882	17,460,079	17,572,022	17,477,740	17,775,889
Departmental Income	8,515,717	24,667,071	24,675,658	26,575,276	17,238,986
Intergovernmental Charges	660	664,081	621,142	748,718	737,207
Use of Money & Property	154,170	304,414	1,952,302	2,765,345	2,561,576
Licenses and Permits	273,389	247,216	259,463	250,753	161,998
Fines and Forfeitures	30,633	23,549	44,113	44,363	41,089
Sale of Property and Compensation for Loss	49,100	340,454	1,622,043	214,758	577,408
Miscellaneous	1,128,953	1,104,055	3,496,357	1,607,789	1,132,541
Interfund Revenues	7,221,237	7,430,118	7,916,420	8,585,679	9,069,369
Federal, State & County Aid	13,802,658	13,700,789	7,226,930	7,440,117	10,277,815
Total Revenues	$ 75,829,404	$ 95,245,484	$ 93,512,349	$ 91,062,937	$ 82,422,237
EXPENDITURES					
General Government Support	$ 15,388,275	$ 15,167,505	$ 16,423,053	$ 20,223,635	$ 17,949,694
Education	2,349,819	1,763,677	2,640,256	2,632,381	2,765,103
Public Safety	1,723,585	1,683,409	1,863,712	2,029,437	2,010,441
Transportation	135,292	51,395	22,263	40,036	154,832
Economic Assistance and Opportunity	2,381,829	2,464,572	2,550,247	2,663,550	2,628,681
Culture and Recreation	18,396,541	19,312,296	20,210,266	21,563,200	16,211,617
Home and Community Services	2,029,107	17,564,470	17,929,482	19,380,201	17,405,649
Employee Benefits	11,606,855	13,016,430	13,075,270	14,279,818	15,241,639
Debt Service	-	-	-	-	-
Total Expenditures	$ 54,011,303	$ 71,023,754	$ 74,714,549	$ 82,812,258	$ 74,367,656
Excess of Revenues Over (Under) Expenditures	$ 21,818,101	$ 24,221,730	$ 18,797,800	$ 8,250,679	$ 8,054,581
Other Financing Sources (Uses):					
Operating Transfers In	3,062,854	1,931,384	1,210,724	3,444,980	5,204,209
Operating Transfers Out	(16,876,751)	(16,720,797)	(14,916,895)	(13,947,174)	(16,715,446)
Sale of Property	-	-	-	-	-
Total Other Financing	$ (13,813,897)	$ (14,789,413)	$ (13,706,171)	$ (10,502,194)	$ (11,511,237)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	8,004,204	9,432,317	5,091,629	(2,251,515)	(3,456,656)
FUND BALANCE					
Fund Balance - Beginning of Year	18,083,269	26,087,473	35,519,790	40,611,419	38,359,904
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 26,087,473	$ 35,519,790	$ 40,611,419	$ 38,359,904	$ 34,903,248

Source: 2021-2025 Audited Financial Statements of the Town.

GENERAL FUND

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

Fiscal Years Ending	2025		
	Original Budget	Final Budget	Actual
REVENUES			
Real Property Taxes	$ 20,254,794	$ 20,254,794	$ 20,253,910
Other Real Property Tax Items	3,000,053	3,000,053	2,594,449
Non-Property Tax Items	17,600,000	17,600,000	17,775,889
Departmental Income	18,606,605	18,732,055	17,238,986
Intergovernmental Charges	737,207	737,207	737,207
Use of Money & Property	1,478,000	2,209,810	2,561,576
Licenses and Permits	262,100	262,100	161,998
Fines and Forfeitures	42,000	42,000	41,089
Sale of Property and Compensation for Loss	85,000	85,000	577,408
Miscellaneous	1,071,565	1,097,928	1,132,541
Interfund Revenues	9,053,395	9,087,135	9,069,369
Federal, State & County Aid	8,060,552	10,029,735	10,277,815
Total Revenues	$ 80,251,271	$ 83,137,817	$ 82,422,237
EXPENDITURES			
General Government Support	$ 18,119,322	$ 19,108,533	$ 17,949,694
Education	2,470,928	2,765,104	2,765,103
Public Safety	2,346,728	2,353,886	2,010,441
Transportation	20,000	154,833	154,832
Economic Assistance and Opportunity	3,115,022	3,092,522	2,628,681
Culture and Recreation	16,475,498	17,135,962	16,211,617
Home and Community Services	19,454,598	19,805,413	17,405,649
Employee Benefits	16,960,424	15,602,028	15,241,639
Debt Service	-	-	-
Total Expenditures	$ 78,962,520	$ 80,018,281	$ 74,367,656
Excess of Revenues Over (Under) Expenditures	$ 1,288,751	$ 3,119,536	$ 8,054,581
Other Financing Sources (Uses):			
Operating Transfers In	2,767,819	5,182,959	5,204,209
Operating Transfers Out	(12,294,523)	(16,715,448)	(16,715,446)
Sale of Property	-	-	-
Total Other Financing	$ (9,526,704)	$ (11,532,489)	$ (11,511,237)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(8,237,953)	(8,412,953)	(3,456,656)
FUND BALANCE			
Fund Balance - Beginning of Year	8,237,953	8,412,953	38,359,904
Prior Period Adjustments (net)	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 34,903,248

Source: 2025 Audited Financial Statements of the Town. This Appendix is not itself audited.

GENERAL FUND

Summary of Budgeted Revenues and Expenditures

Fiscal Years Ending	2022 Adopted Budget	2023 Adopted Budget	2024 Adopted Budget	2025 Adopted Budget	2026 Adopted Budget
REVENUES AND FUND BALANCE					
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	$ 88,486,777	$ 89,235,036	$ 92,055,408	$ 91,257,043	$ 92,592,908
EXPENDITURES					
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	$ 88,486,777	$ 89,235,036	$ 92,055,408	$ 91,257,043	$ 92,592,908

(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

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

PART-TOWN FUND

Balance Sheets

Fiscal Years Ending	2021	2022	2023	2024	2025
ASSETS					
Cash and Equivalents	$ 10,289,470	$ 11,176,408	$ 10,119,711	$ 9,092,437	$ 7,921,781
Accounts Receivable	80,291	57,755	67,279	54,292	398,049
Due from Other Governments	54,186	39,903	51,172	120,584	87,986
Due from Other Funds	57,000	584	-	-	-
Prepaid Expenditures	290,365	273,520	421,173	447,882	478,814
TOTAL ASSETS	$ 10,771,312	$ 11,548,170	$ 10,659,335	$ 9,715,195	$ 8,886,630
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 218,754	$ 223,428	$ 193,738	$ 249,154	$ 448,180
Due to Other Funds	36,844	47,561	57,786	68,435	-
Due to other Governments	-	-	-	-	62,520
Deposits Payable	643,731	738,985	728,221	771,157	827,641
Unearned revenue	3,896	3,013	405	287	-
TOTAL LIABILITIES	$ 903,225	$ 1,012,987	$ 980,150	$ 1,089,033	$ 1,338,341
Deferred Inflows of Resources	$ -	$ -	$ -	$ -	$ -
FUND EQUITY					
Nonspendable	$ 290,365	$ 273,520	$ 421,173	$ 447,882	$ 478,814
Restricted	-	-	-	-	-
Assigned	9,577,722	10,261,663	9,258,012	8,178,280	7,069,475
Unassigned	-	-	-	-	-
TOTAL FUND EQUITY	$ 9,868,087	$ 10,535,183	$ 9,679,185	$ 8,626,162	$ 7,548,289
TOTAL LIABILITIES and FUND EQUITY	$ 10,771,312	$ 11,548,170	$ 10,659,335	$ 9,715,195	$ 8,886,630

Source: 2021-2025 Audited Financial Statements of the Town.

PART-TOWN FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending	2021	2022	2023	2024	2025
REVENUES					
Real Property Taxes	$ 6,063,670	$ 6,919,986	$ 6,520,019	$ 6,537,616	$ 4,335,220
Other Real Property Tax Items	487,092	566,175	650,043	640,554	447,673
Non-Property Tax Items	57,000	57,000	57,000	57,000	57,000
Departmental Income	880,481	1,055,766	1,104,279	1,114,547	1,453,246
Use of Money & Property	2,635	15,297	256,012	266,667	200,169
Licenses and Permits	5,015,472	5,244,722	4,499,110	5,279,935	4,951,985
Fines and Forfeitures	109,840	110,080	87,398	98,615	3,234,986
Sale of Property and Compensation for Loss	5,151	-	1,698	-	-
Miscellaneous	588	53	21,094	1,367	5,946
Interfund Revenues	-	-	-	-	-
Federal, State & County Aid	-	583	-	-	-
Total Revenues	$ 12,621,929	$ 13,969,662	$ 13,196,653	$ 13,996,301	$ 14,686,225
EXPENDITURES					
General Government Support	$ 2,545,522	$ 2,852,655	$ 3,264,168	$ 4,020,134	$ 4,477,175
Public Safety	5,076,010	5,274,119	5,470,969	5,567,904	5,681,907
Health	358,016	309,371	313,976	342,531	358,125
Transportation	5,151	-	-	-	3,188
Economic Assistance and Opportunity	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Home and Community Services	1,175,813	1,203,013	1,228,207	1,189,338	1,307,318
Employee Benefits	3,447,839	3,567,257	3,575,453	3,845,963	3,860,718
Total Expenditures	$ 12,608,351	$ 13,206,415	$ 13,852,773	$ 14,965,870	$ 15,688,431
Excess of Revenues Over (Under) Expenditures	$ 13,578	$ 763,247	$ (656,120)	$ (969,569)	$ (1,002,206)
Other Financing Sources (Uses):					
Operating Transfers In	-	206	-	38,564	45,611
Operating Transfers Out	(401,252)	(96,357)	(199,878)	(122,018)	(121,278)
Total Other Financing	$ (401,252)	$ (96,151)	$ (199,878)	$ (83,454)	$ (75,667)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(387,674)	667,096	(855,998)	(1,053,023)	(1,077,873)
FUND BALANCE					
Fund Balance - Beginning of Year	10,255,761	9,868,087	10,535,183	9,679,185	8,626,162
Prior Period Adjustments (net)			-	-	-
Fund Balance - End of Year	$ 9,868,087	$ 10,535,183	$ 9,679,185	$ 8,626,162	$ 7,548,289

Source: 2021-2025 Audited Financial Statements of the Town.

PART-TOWN FUND

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

Fiscal Years Ending	2025 Original Budget	2025 Final Budget	2025 Actual
REVENUES			
Real Property Taxes	$ 4,334,268	$ 4,334,268	$ 4,335,220
Other Tax Items	581,255	581,255	447,673
Non-Property Tax Items	57,000	57,000	57,000
Departmental Income	1,117,500	1,117,500	1,453,246
Use of Money & Property	250,000	250,000	200,169
Licenses and Permits	5,654,000	5,654,000	4,951,985
Fines and Forfeitures	3,650,000	3,650,000	3,234,986
Sale of Property and Compensation for Loss	-	-	-
Miscellaneous	-	-	5,946
Interfund Revenues	-	-	-
Federal, State & County Aid	-	-	-
Total Revenues	$ 15,644,023	$ 15,644,023	$ 14,686,225
EXPENDITURES			
General Government Support	$ 4,534,606	$ 4,527,175	$ 4,477,175
Public Safety	5,946,955	6,450,640	5,681,907
Health	388,622	388,622	358,125
Transportation	-	3,188	3,188
Economic Assistance and Opportunity	-	-	-
Culture and Recreation	-	-	-
Home and Community Services	1,279,752	1,307,822	1,307,318
Employee Benefits	4,472,738	3,945,226	3,860,718
Debt Service	-	-	-
Total Expenditures	$ 16,622,673	$ 16,622,673	$ 15,688,431
Excess of Revenues Over (Under) Expenditures	$ (978,650)	$ (978,650)	$ (1,002,206)
Other Financing Sources (Uses):			
Operating Transfers In	45,611	45,611	45,611
Operating Transfers Out	(121,278)	(121,278)	(121,278)
Total Other Financing	$ (75,667)	$ (75,667)	$ (75,667)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,054,317)	(1,054,317)	(1,077,873)
FUND BALANCE			
Fund Balance - Beginning of Year	1,054,317	1,054,317	8,626,162
Prior Period Adjustments (net)	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 7,548,289

Source: 2025 Audited Financial Statements of the Town. This Appendix is not itself audited.

PART-TOWN FUND

Summary of Budgeted Revenues and Expenditures

Fiscal Years Ending	2022 Adopted Budget	2023 Adopted Budget	2024 Adopted Budget	2025 Adopted Budget	2026 Adopted Budget
REVENUES AND FUND BALANCE					
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	$ 13,561,154	$ 14,207,416	$ 15,610,014	$ 16,743,951	$ 16,809,894
EXPENDITURES					
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	$ 13,561,154	$ 14,207,416	$ 15,610,014	$ 16,743,951	$ 16,809,894

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

HIGHWAY FUND

Balance Sheets

Fiscal Years Ending	2021	2022	2023	2024	2025
ASSETS					
Cash and Equivalents	$ 12,183,922	$ 10,832,081	$ 11,739,935	$ 7,942,642	$ 7,250,405
Accounts Receivable, Net of Allowances	17,871	13,063	7,412	84,525	27,044
State and Federal Aid Receivables	13,378	1,143,642	258,883	721,938	374,706
Leases	-	-	-	828,955	820,137
Due from Other Governments	4,139	2,442	1,409	876	1,345
Due from Other Funds	908,274	269,340	-	-	107,192
Inventory of Material and Supplies	359,023	273,596	558,638	536,922	116,546
Prepaid Expenditures	403,883	363,885	610,160	641,939	711,942
TOTAL ASSETS	$ 13,890,490	$ 12,898,049	$ 13,176,437	$ 10,757,797	$ 9,409,317
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 414,919	$ 316,364	$ 402,235	$ 996,768	$ 870,147
Due to Other Funds	314,748	688,540	108,726	246,103	26,947
Unearned revenue	11,852	9,913	1,154	1,213	-
Deferred revenue	-	-	-	-	-
TOTAL LIABILITIES	$ 741,519	$ 1,014,817	$ 512,115	$ 1,244,084	$ 897,094
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues for services	$ -	$ -	$ -	$ 803,936	$ 770,439
FUND EQUITY					
Nonspendable	$ 762,906	$ 637,481	$ 1,168,798	$ 1,203,880	$ 878,186
Restricted	-	-	-	-	-
Assigned	12,386,065	11,245,751	11,495,524	7,505,897	6,863,598
Unassigned	-	-	-	-	-
TOTAL FUND EQUITY	$ 13,148,971	$ 11,883,232	$ 12,664,322	$ 8,709,777	$ 7,741,784
TOTAL LIABILITIES and FUND EQUITY	$ 13,890,490	$ 12,898,049	$ 13,176,437	$ 10,757,797	$ 9,409,317

Source: 2021-2025 Audited Financial Statements of the Town.

HIGHWAY FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending	2021	2022	2023	2024	2025
REVENUES					
Real Property Taxes	$ 21,331,108	$ 21,089,504	$ 21,511,630	$ 18,665,213	$ 18,386,636
Other Tax Items	1,709,831	1,722,328	2,138,550	1,839,168	1,894,045
Departmental Income	87	88	160	76	-
Intergovernmental Charges	26,960	45,227	16,216	20,167	15,755
Use of Money & Property	69,909	85,245	370,691	459,319	321,175
Licenses and Permits	434,840	588,750	452,930	604,350	611,450
Fines and Forfeitures	-	-	-	-	-
Sale of Property and Compensation for Loss	108,224	215,275	103,033	33,134	49,952
Miscellaneous	19,042	162	10,267	3,618	120,169
Interfund Revenues	96,302	62,555	59,955	67,468	87,698
Revenues from State Sources	1,148,960	1,488,478	1,271,824	1,270,191	1,369,515
Revenues from Federal Sources	-	-	-	-	35,739
Total Revenues	$ 24,945,263	$ 25,297,612	$ 25,935,256	$ 22,962,704	$ 22,892,134
EXPENDITURES					
General Government Support	$ 2,862,731	$ 2,967,346	$ 3,075,249	$ 3,207,827	$ 2,965,555
Transportation	9,469,835	11,831,633	10,724,161	10,128,471	10,846,229
Employee Benefits	5,905,864	5,413,625	5,392,572	5,649,265	5,861,154
Total Expenditures	$ 18,238,430	$ 20,212,604	$ 19,191,982	$ 18,985,563	$ 19,672,938
Excess of Revenues Over (Under) Expenditures	$ 6,706,833	$ 5,085,008	$ 6,743,274	$ 3,977,141	$ 3,219,196
Other Financing Sources (Uses):					
Operating Transfers In	899,183	1,141,330	624,210	900,992	2,731,567
Operating Transfers Out	(6,986,796)	(7,492,077)	(6,586,394)	(8,832,678)	(6,918,756)
Total Other Financing	$ (6,087,613)	$ (6,350,747)	$ (5,962,184)	$ (7,931,686)	$ (4,187,189)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	619,220	(1,265,739)	781,090	(3,954,545)	(967,993)
FUND BALANCE					
Fund Balance - Beginning of Year	12,529,751	13,148,971	11,883,232	12,664,322	8,709,777
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 13,148,971	$ 11,883,232	$ 12,664,322	$ 8,709,777	$ 7,741,784

Source: 2021-2025 Audited Financial Statements of the Town.

HIGHWAY FUND

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

Fiscal Years Ending	2025 Original Budget	2025 Final Budget	2025 Actual
REVENUES			
Real Property Taxes	$ 18,369,503	$ 18,369,503	$ 18,386,636
Other Tax Items	1,713,644	1,713,644	1,894,045
Departmental Income	-	-	-
Intergovernmental Charges	15,000	15,000	15,755
Use of Money & Property	396,000	396,000	321,175
Licenses and Permits	500,000	500,000	611,450
Fines and Forfeitures	-	-	-
Sale of Property and Compensation for Loss	36,000	36,000	49,952
Miscellaneous	-	-	120,169
Interfund Revenues	50,000	50,000	87,698
Revenues from State Sources	1,489,394	1,489,394	1,369,515
Revenues from Federal Sources	-	-	35,739
Total Revenues	$ 22,569,541	$ 22,569,541	$ 22,892,134
EXPENDITURES			
General Government Support	$ 3,137,375	$ 3,127,616	$ 2,965,555
Transportation	11,209,715	11,774,060	10,846,229
Employee Benefits	6,788,451	6,259,677	5,861,154
Debt Service	-	-	-
Total Expenditures	$ 21,135,541	$ 21,161,353	$ 19,672,938
Excess of Revenues Over (Under) Expenditures	$ 1,434,000	$ 1,408,188	$ 3,219,196
Other Financing Sources (Uses):			
Operating Transfers In	1,023,817	2,523,817	2,731,567
Operating Transfers Out	(6,918,886)	(6,918,886)	(6,918,756)
Total Other Financing	$ (5,895,069)	$ (4,395,069)	$ (4,187,189)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(4,461,069)	(2,986,881)	(967,993)
FUND BALANCE			
Fund Balance - Beginning of Year	4,461,069	2,986,881	8,709,777
Prior Period Adjustments (net)	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 7,741,784

Source: 2025 Audited Financial Statements of the Town. This Appendix is not itself audited.

HIGHWAY FUND

Summary of Budgeted Revenues and Expenditures

Fiscal Years Ending	2022 Adopted Budget	2023 Adopted Budget	2024 Adopted Budget	2025 Adopted Budget	2026 Adopted Budget
REVENUES AND FUND BALANCE					
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	$ 26,559,191	$ 30,565,482	$ 30,673,330	$ 28,054,427	$ 28,626,747
EXPENDITURES					
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	$ 26,559,191	$ 30,565,482	$ 30,673,330	$ 28,054,427	$ 28,626,747

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

TOWN OPERATED SPECIAL DISTRICTS

Balance Sheets

Fiscal Years Ending	2021	2022	2023	2024	2025
ASSETS					
Cash and Equivalents	$ 5,510,759	$ 8,531,666	$ 12,545,740	$ 12,353,938	$ 10,543,015
Investments - LOSAP	9,245,097	8,251,403	8,755,178	9,842,142	10,984,134
Accounts Receivable, Net of Allowances	46,004	42,282	54,900	83,804	66,417
State and Federal Aid Receivables	-	-	-	-	52,029
Due from Other Governments	-	3,183	3,183	-	23,442
Due from Other Funds	18,257	56,473	38,000	38,000	-
Prepaid Expenditures	86,029	76,108	135,985	167,660	170,102
TOTAL ASSETS	$ 14,906,146	$ 16,961,115	$ 21,532,986	$ 22,485,544	$ 21,839,139
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 496,181	$ 578,178	$ 1,235,401	$ 716,335	$ 920,947
Service Award Program Payable	-	-	-	-	-
Deposits Payable	380,766	398,664	370,954	346,101	389,316
Due to Other Funds	1,963,519	1,689,089	3,412	5,259	3,094
Unearned revenue	22,086	19,877	6,616	8,869	3,258
TOTAL LIABILITIES	$ 2,862,552	$ 2,685,808	$ 1,616,383	$ 1,076,564	$ 1,316,615
Deferred Inflows of Resources					
Unavailable Revenue, PILOT	-	-	-	-	-
FUND EQUITY					
Nonspendable	$ 86,029	$ 76,108	$ 135,985	$ 167,660	$ 170,102
Restricted	9,245,097	8,251,403	8,755,178	9,842,142	10,984,134
Assigned	4,073,935	5,947,796	11,025,440	11,399,178	7,810,663
Unassigned	(1,361,467)	-	-	-	1,557,625
TOTAL FUND EQUITY	$ 12,043,594	$ 14,275,307	$ 19,916,603	$ 21,408,980	$ 20,522,524
TOTAL LIABILITIES and FUND EQUITY	$ 14,906,146	$ 16,961,115	$ 21,532,986	$ 22,485,544	$ 21,839,139

Source: Audited Financial Statements of the Town. This Appendix is not itself audited.

TOWN OPERATED SPECIAL DISTRICTS

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending	2021	2022	2023	2024	2025
REVENUES					
Real Property Taxes	$ 24,689,996	$ 25,309,699	$ 25,849,295	$ 24,727,577	$ 25,535,283
Other Real Property Tax Items	1,343,762	1,431,475	1,522,703	1,699,442	1,786,460
Departmental Income	814,921	1,138,296	1,277,945	1,356,910	1,377,927
Use of Money & Property	775,769	(1,057,404)	966,733	1,249,095	1,492,709
Sale of Property and		-	-	-	-
Compensation for Loss	-	-	-	-	-
Miscellaneous	39,197	1,941,266	1,843,663	1,847,467	(7,566)
Interfund Revenues	106,494	68,060	60,000	89,967	71,386
Revenues from State & Federal Sources	-	67,129	-	-	-
Total Revenues	$ 27,770,139	$ 28,898,521	$ 31,520,339	$ 30,970,458	$ 30,256,199
EXPENDITURES					
General Government Support	$ 1,818,609	$ 1,861,117	$ 1,738,433	$ 1,855,687	$ 2,983,101
Public Safety	7,134,275	7,351,977	7,918,553	8,242,390	8,531,633
Transportation	3,779,338	3,648,873	3,804,999	4,007,485	4,028,828
Culture and Recreation	1,292,805	1,298,051	1,277,188	1,335,248	1,474,652
Home and Community Services	9,356,369	9,568,494	9,497,807	9,852,682	10,009,181
Employee Benefits	1,099,467	1,170,565	1,239,805	1,347,979	1,414,001
Total Expenditures	$ 24,480,863	$ 24,899,077	$ 25,476,785	$ 26,641,471	$ 28,441,396
Excess of Revenues Over (Under) Expenditures	$ 3,289,276	$ 3,999,444	$ 6,043,554	$ 4,328,987	$ 1,814,803
Other Financing Sources (Uses):					
Operating Transfers In	314,939	1,132,763	2,475,682	115,933	1,360,903
Operating Transfers Out	(2,879,537)	(2,900,494)	(2,877,940)	(2,952,543)	(4,062,162)
Total Other Financing	$ (2,564,598)	$ (1,767,731)	$ (402,258)	$ (2,836,610)	$ (2,701,259)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	724,678	2,231,713	5,641,296	1,492,377	(886,456)
FUND BALANCE					
Fund Balance - Beginning of Year	11,318,916	12,043,594	14,275,307	19,916,603	21,408,980
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 12,043,594	$ 14,275,307	$ 19,916,603	$ 21,408,980	$ 20,522,524

Source: Audited Financial Statements 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	2025		
	Original Budget	Final Budget	Audited Actual
REVENUES			
Real Property Taxes	$ 25,507,801	$ 25,510,519	$ 25,535,283
Other Real Property Tax Items	1,658,600	1,666,457	1,786,460
Departmental Income	1,260,000	1,260,000	1,377,927
Use of Money & Property	77,838	131,530	1,492,709
Sale of Property and		-	-
Compensation for Loss	-	-	-
Miscellaneous	-	(7,568)	(7,566)
Interfund Revenues	60,000	71,387	71,386
Revenues from State & Federal Sources	-	-	-
Total Revenues	$ 28,564,239	$ 28,632,325	$ 30,256,199
EXPENDITURES			
General Government Support	$ 1,839,162	$ 3,064,240	$ 2,983,101
Public Safety	8,584,168	8,595,817	8,531,633
Transportation	4,006,712	4,319,612	4,028,828
Culture and Recreation	1,472,514	1,533,555	1,474,652
Home and Community Services	10,001,918	10,009,181	10,009,181
Employee Benefits	1,561,431	1,522,503	1,414,001
Total Expenditures	$ 27,465,905	$ 29,044,908	$ 28,441,396
Excess of Revenues Over (Under) Expenditures	$ 1,098,334	$ (412,583)	$ 1,814,803
Other Financing Sources (Uses):			
Operating Transfers In	160,903	1,360,903	1,360,903
Operating Transfers Out	(2,862,180)	(4,062,174)	(4,062,162)
Total Other Financing	$ (2,701,277)	$ (2,701,271)	$ (2,701,259)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,602,943)	(3,113,854)	(886,456)
FUND BALANCE			
Fund Balance - Beginning of Year	1,602,943	3,113,854	21,408,980
Prior Period Adjustments (net)	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 20,522,524

Source: 2025 Audited Financial Statements of the Town. This Appendix is not itself audited.

TOWN AND COMMISSIONER OPERATED SPECIAL DISTRICTS

Summary of Budgeted Revenues and Expenditures

Fiscal Years Ending	2022 Adopted Budget	2023 Adopted Budget	2024 Adopted Budget	2025 Adopted Budget	2026 Adopted Budget
REVENUES AND FUND BALANCE					
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	$ 177,887,899	$ 184,957,771	$ 194,518,459	$ 206,990,907	$ 214,592,320
EXPENDITURES					
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	$ 177,887,899	$ 184,957,771	$ 194,518,459	$ 206,990,907	$ 214,592,320

[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.

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

BONDED DEBT SERVICE

Fiscal Year Ending December 31st	Principal	Interest	Total
2026	$ 26,508,253	$ 11,000,378	$ 37,508,631
2027	26,614,890	10,762,273	37,377,163
2028	26,589,870	9,632,312	36,222,182
2029	27,414,870	8,803,104	36,217,974
2030	28,144,871	7,967,862	36,112,733
2031	26,989,870	7,134,260	34,124,130
2032	27,444,870	6,348,820	33,793,690
2033	24,144,870	5,673,599	29,818,469
2034	22,139,870	5,008,451	27,148,321
2035	19,714,870	4,359,538	24,074,408
2036	19,974,870	3,755,529	23,730,399
2037	16,879,870	3,219,024	20,098,894
2038	15,399,870	2,742,377	18,142,247
2039	14,744,870	2,299,116	17,043,986
2040	11,004,870	1,986,279	12,991,149
2041	10,469,870	1,680,907	12,150,777
2042	9,029,870	1,421,513	10,451,383
2043	6,564,870	1,219,077	7,783,947
2044	5,239,870	1,045,392	6,285,262
2045	5,364,870	895,388	6,260,258
2046	5,446,970	740,055	6,187,025
2047	4,696,970	577,834	5,274,804
2048	3,546,970	449,034	3,996,004
2049	3,626,970	351,884	3,978,854
2050	2,981,970	252,184	3,234,154
2051	1,666,970	169,944	1,836,914
2052	1,711,970	114,772	1,826,742
2053	1,230,000	57,800	1,287,800
2054	215,000	8,600	223,600
TOTALS	$ 395,504,594	$ 99,677,304	$ 495,181,898

Note: This Appendix is not itself audited.

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 September 17, 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 $190,616,202 Bond Anticipation Note-2026 Series B, dated September 17, 2026, and maturing on September 17, 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 September 17, 2026.

TOWN OF NORTH HEMPSTEAD

By____

Supervisor and Chief Fiscal Officer

FORM OF BOND COUNSEL OPINION – THE NOTES

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

September 17, 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 $190,616,202 Bond Anticipation Note-2026 Series B (the "Note") of the Town, 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 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, 2025

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

https://emma.msrb.org/P11972339-P11504701-P11958305.pdf

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

* Said 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.